Canada Empties Wheat Bin (Page 9)

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The Nation's Business

Canada Reduces Wheat Carryover To Normal Figure

Hitler and Spain

Need Demonstrated For Freer Trade

New Deal Sinks In Public Favor

Clergy and Reform

"Normalcy" Again In Wheat Stocks

A MILESTONE in Canada's economic history has been passed in the reduction of our wheat stocks to what has always in the past been regarded as a "normal" figure. We have finally liquidated the huge surplus stock of wheat that was built up as a result of the fantastic holding policies of the western wheat pools and the McFarland "stabilization" dictatorship.

From now on, assuming that we do not repeat the egregious folly of attempting to raise the price of wheat by refusing to sell it at the world price, the market should follow a more normal course. The large stocks that we have carried through year after year for a decade will no longer rest upon the market as a heavy and unsupportable weight. Our farmers will be able to derive for their product a price based upon world demand and uninfluenced by the existence of a huge stock which all buyers knew about and all buyers discounted in making their bids.

* * *

Ensuring Peace By Broader Trade

IN HIS regular week-end sabre-rattling address, Der Fuehrer told his children that "Germany needs Spanish ore and that is why we want a Nationalist Government in Spain."

That is a statement that is not without its implications for us in British North America.

If Herr Hitler is to send his troops to Spain to establish a new government in that country in order that Germany's steel plants may have a constant supply of iron ore, then the next logical step would be for Germany to seek to set up puppet dictators in other countries from which she draws iron ore supplies. One of the chief sources of iron ore for Germany in post-war years has been Newfoundland.

Last year German steel plants contracted for 700,000 tons of Newfoundland iron ore but were able to take only 132,000 tons because Herr Schacht could not find the foreign exchange to pay for any more. No doubt, if Newfoundland had a "Nationalist" Government, Germany could find the money to pay for Newfoundland ore. What is the difference between Spain and Newfoundland and why should Germany intervene in one country and not in the other?

* * *

GERMANY has always been able to buy in Spain all the iron ore she ever needed from that country. There has been no political obstacle.

The only problem has been one of finding the foreign exchange to pay for the ore. This problem would exist if there were a Fascist Government in Spain just as much as if there were a Democratic or a Communist Government. When Germany wants to buy something in Democratic Canada or Communist Russia she can do it so long as she can lay the money down on the line.

The question is not one of the political control of the area where the raw materials are located, but solely one of the means of payment.

It is the same with the question of colonies, another Nazi shibboleth. If colonial markets are free on equal terms to all nations, it matters not who controls them politically. If raw material supplies are free to all nations, it matters not under what flag they are located.

* * *

THIS brings us to what is the real issue in the matter. Unfortunately the raw material supplies and markets of the world are not open on an equal basis to all nations. Most colonial empires preferentially favor the countries that command them. Sir Samuel Hoare, in a well-remembered address at Geneva, recognized this fact and called for freer access to raw material supplies and markets for all nations.

A major contributing factor to the constant threat of war is the extreme economic nationalism which closes the doors to international trading. Germany is, at one and the same time, a chief contributor to and a major sufferer from economic nationalism. She is a victim of other nations' autarchic ambitions and she has responded with a violent attempt at extreme autarchy on her own part. All she has achieved has been the economic degradation of her people.

* * *

IT IS not to be expected that Germany will take the initiative for economic peace and trade disarmament. She is too much ruled by paranoiac politics. Other nations with more enlightened leaders must take the lead, hoping that as peace is assured Germany will fall into line.

That is the true significance of the effort of Washington and London to work out ever widening boundaries of freer trade. If Ger-

(Continued on page 2, col. 3)

Seek to Unify Abitibi Plans But Hope Dim

Contentious Aspects of Reorganization Avoided By Government

TWO ALTERNATIVES

Signing by the Ontario Government of the agreement with Abitibi Power & Paper Co. regarding timber limits and power plants removes a major obstacle in the progress of the lengthy reorganization proceedings.

One notable feature of the agreement is that the Government may pass opinion on the reorganization. In view of this provision, particular significance is attached to the remarks of Premier Mitchell F. Hepburn of Ontario that the Government is only interesting itself to the extent that timber limits are involved. It is understood that the Government is likely to avoid the contentious features dealing with distribution of new securities.

The preferred shareholders' committee headed by Lieut.-Col. Herbert Molson, Montreal, after protracted negotiations, has aligned itself in favor of the reorganization plan that will be presented shortly by the bondholders' committee, headed by Joseph P. Ripley, president of Brown, Harriman & Co., New York.

Two Major Plans

Holders of substantial blocks of preferred and common stock appear likely to dissent from the bondholders' plan and to favor the proposals recently brought forward by the liquidator, R. S. McPherson, C.A., Toronto. It is understood that Wood, Gundy & Co. for preferred stock, and Collin Brooks (who represents the Rothermere common stock interests in Abitibi), are the major shareholding groups leaning toward the liquidator's plan.

There are thus two major alternatives: the bondholders' plan of reorganization by judicial sale; and the liquidator's proposal of compromise under the Companies Creditors' Arrangements Act.

The Financial Post understands that followers of each plan would like the other forces to give way in favor of a unified reorganization scheme. If such unity is not reached privately, there is a prospect of lengthy legal skirmishing, with both forms of reorganization before the courts at the same time.

The course of events so far has followed closely the forecasts made in The Financial Post of May 22, and there appears to be no reason to alter the view expressed then that "the Abitibi scramble has just started."

Agreement With Government

The new agreement with the Ontario Government provides that the company must have its closed mills at Espanola and Sturgeon Falls wholly or partly in operation within three years or forfeit the timber limits in those areas. The company has clear title to the limits for six months, and thereafter the Government may alienate part of them. The physical properties could be put up for sale at the end of three years with proceeds to go to the company, but there would be no proceeds, of course, from the timber limits themselves which are Crown-granted.

The power phase of the agreement gives the company's power plant at Crystal Falls (7,500 h.p.) to the Ontario Hydro in discharge of obligations of the company to the Hydro.

The Abitibi properties now in operation in Ontario are newsprint mills at Iroquois Falls, Sault Ste. Marie, Fort William and Thunder Bay, and bleached sulphite pulp mill at Smooth Rock Falls. The company is also operating its newsprint paper mill at Pine Falls, Man. Besides Espanola and Sturgeon Falls, there is a closed mill at Beaupré, Quebec. In case of need the latter is expected to be the first closed mill to be reopened.

Investors Criticize Reorganizing Plan Of Canadian Hydro

Company Would Pay 5% Dividends if Plan Passes

REVISION LIKELY

By JOHN E. LANGDON

MONTREAL.—Scattered opposition has developed to the scheme of arrangement put forward by Canadian Hydro Electric Corp. to its first preferred shareholders. Underneath the surface there are indications that the plan may not be adopted in its present form.

Already sponsors of the scheme have made concessions to the growing criticism. Over the past week end the company sent a letter to first preferred shareholders saying that "unless unforeseen conditions develop, it will be the directors' policy to pay dividends as they accrue on the new 5% preferred of that company (Gatineau Power) even if the debenture refinancing were not completed as soon as expected."

The plan asks the first preferred shareholders to exchange their 6% stock, with dividend arrears of $12.50 a share, for a 5% preference share in Gatineau Power together with one share of common stock. They were asked to do this in order to bring about an "improved and simplified" capital structure; pave the way for the refunding of Gatineau debentures; and remove obstacles to the resumption of dividend payments. However, there was no assurance that the debentures would be refunded or that the dividend payments would be made on the new preferred.

Opposition is Shown

Since then The Financial Post has received communications from as far apart as London, Eng., and Vancouver, B.C., criticizing the plan from various angles, but chiefly on the point that the first preferred shareholders should be offered a higher rate of dividend or alternatively a larger share of the common stock equity. Montreal and Toronto shareholders also have voiced objections to the plan. On the other hand, the company is understood to have received a number of proxies favoring the scheme.

A cable dispatch from London says that the plan is meeting with considerable criticism from British holders of the first preferred stock. The opinion expressed is that the proposed exchange of securities is not sufficiently adequate for concessions made.

"Majority" is Small

A quorum for the July 15 meeting consists of a majority of the stock outstanding: 51% or $6,250,000 par value of the first preferred stock. In order to pass the plan it is only necessary for three-quarters of the votes represented at the meeting to vote in favor of the scheme. In other words it is possible for the plan to pass if $4¾ millions vote in favor. Before the plan becomes binding on all shareholders, however, it is necessary to secure court approval.

A shareholder in Vancouver is frankly opposed to the plan. After mentioning that he has considerable financial experience in London, he discusses several cases of English companies which have cleaned up dividend arrears by funding them or paying off the amount owing in cash.

"The very purpose of a cumulative preference share is to provide for ultimate payment after the period of depression and inadequate earnings has passed," he says. "If this were not so why have a cumulative feature attached to the shares and of what value is such a feature?"

This shareholder believes that the terms ought not to be accepted, for as he says:

"After a study of the position of Canadian Hydro-Electric Corp. in

(Continued on page 2, col. 5)

Meighen Firm To Fight Plan

Canadian Hydro Proxies Sought to Oppose Directors' Scheme

Senator Rt. Hon. Arthur Meighen and Canadian General Securities Ltd., Toronto investment firm of which he is president, are taking the aggressive in uniting shareholders in opposition to the reorganization plan for Canadian Hydro-Electric Corp. as proposed by that firm's directors.

Canadian General Securities, in a letter signed by Mr. Meighen, states that the plan is "grossly unfair" to holders of Canadian Hydro 6% first preferred.

Alternatives Suggested

The Financial Post understands that alternative proposals for elimination of Canadian Hydro preferred and arrears of dividends would be regarded favorably by the Meighen firm. Each $100 share will have dividend arrears of $12.50 a share this year. It is understood that three alternative methods of settling these claims by issue of new securities of Gatineau Power Co. have been suggested to the company. In order of preference the suggested alternatives in exchange for each Canadian Hydro first preferred share are:

1. 1 1/8 share of 6% preferred.
2. One share of 6% preferred and one common share.
3. One share of 5% preferred and two common shares.

The Canadian Hydro directors' proposal is to give one 5% preferred share and one common share in exchange for the present stock and arrears.

Analysis of Plan

In its memorandum, Canadian General Securities Ltd. states that companies under its management, Canadian General Investments and Third Canadian General Investment Trust, hold a substantial amount of Canadian Hydro 6% first preferred

(Continued on page 2, col. 6)

Quebec Produces Surplus On Its Ordinary Account

From Our Own Correspondent

MONTREAL.—In the 1936-37 fiscal year which ended on June 30 the Government of Quebec had a surplus on ordinary account of approximately $5 millions, according to an announcement made here by Hon. Martin Fisher, provincial treasurer. This compares with a deficit of $1.9 million in the 1935-36 fiscal year so that there has been a budget improvement of approximately $7 millions.

The improvement is attributed to increased revenues as a result of improving business activity and to economies put in force by the Duplessis Government, which has been in office for 10 months. Mr. Fisher stated that most departments had reported an increase in revenue. Economies in administration departments he estimated at $3 millions.

Record Revenue

While he stated that the revenue reported would be the largest in the history of the province he did not disclose the actual amount of the improvement in the 1936-37 fiscal year. He pointed out, however, that the Government had assumed additional burdens which had been taken care of out of ordinary revenue. Among these are old-age pensions, the cost of which is estimated at $3 millions, and the administration costs of the Farm Loan Board. The cost of the general election last year and the special session, estimated at $1 million, was also paid out of 1936-37 revenue.

No statement was made by Mr. Fisher as to what the real deficit, including unemployment relief, would be. In the 1935-36 fiscal year the deficit on ordinary account was $1.9 million but when unemployment relief and other special expenditures were taken into account the deficit amounted to $19.5 millions. Since $14 millions of the recent Quebec loan was for relief purposes it would appear that the deficit, including relief but exclusive of public works, will amount to about $10 millions.

Interest Rate Higher

The average rate of interest obtained on the recent Quebec loan of $31 millions was 2.37%, compared with an average rate of 2.21% on the $51 millions loan sold late last year.

Of the proceeds of the loan, $10 millions was used to repay bank loans incurred to meet a $10 millions maturity on April 1; $14 millions for direct relief expenses; $4 millions for roads and colonization; and $3 millions to pay off newly discovered debts incurred by the former government.

Mr. Fisher is sailing for Europe on July 10. He will officially represent the province at the Paris Exposition and while in London will make arrangements for the retention of financial experts to sit on the commission which is to study Quebec's taxation system.

Further Devaluation By France Expected

Canadian Bankers Foresee Early Adjustment of Tangle

The French monetary tangle will be unravelled within the next month, at least on a temporary basis, by the probable means of further devaluation, in the opinion of Canadian bankers.

Despite the reported stand of the new Chautemps Cabinet against devaluation, foreign exchange authorities consulted by The Financial Post pointed out that when futures quotations were discontinued the discount had reached about 35 points on 30-day francs and 40 points on 90-day francs. It is on the factors behind this huge discount that they base their predictions.

The amount, they consider, reflects the general belief that further devaluation will take place—probably below the 4.35-cent limit established when France left gold last year. The spread between one- and three-month francs is regarded unusually narrow under the circumstances. This is taken to mean that most observers—and speculators—feel that the situation will be met very shortly.

International Action

If and when the franc is further devalued, it is considered likely that it will once again come after some agreement has been reached with Great Britain and the United States. In other words, it will mean a revision, rather than a breakdown of the currency agreement of last fall. What effect it would have on currencies of other countries cannot as yet be predicted.

Some suggest that a definite parity may be established for the franc.

Speculators Active

Following official admission last week that the French stabilization fund was virtually exhausted, a wave of speculative selling dragged futures exchange quotations to the greatest discount in recent history. Rumors of devaluation added to the speculative activity, and early this week a temporary decree suspended all operations on French financial and securities markets and stipulated that payment of trade drafts and other commercial obligations in gold or foreign currency could be postponed. Financial men interpret the measure as an effort to guard the franc against further speculation until a more definite programme has been established.

Partly reflecting the French situation, the British House of Commons has approved an increase of £200 millions in the exchange equalization fund. This move was generally welcomed by financial interests who saw in it an indication that there would be no drastic revision of the international currency agreement or of Great Britain's gold policy.

Inco to Spend $2.5 Millions On New Shaft

Decision Follows Renewal of Work at Levack Mine

RECORD PRODUCTION

From Our Own Correspondent

SUDBURY. — The International Nickel Co. will commence immediately the sinking of a vertical shaft at the Levack mine, according to an announcement recently by Donald MacAskill, vice-president and general manager. The shaft will be sunk to 2,000 feet and will cost about $2,500,000, it is estimated. It will be located about 1,200 feet west of the incline shaft, and will be of the same dimensions as the new No. 5 shaft at the Creighton mine, which is of six compartments, 30 by 18½ feet outside the timbers.

This shaft will provide additional capacity, furnish desired ventilation conditions, and will be equipped with a modern hoisting plant, other necessary plant buildings as well as an up-to-date changehouse.

Operations at Levack mine, which before the merger was a Mond Nickel property, were resumed last March 15, after having been suspended since 1931. With other mines crowded for production International Nickel decided to reopen the Levack to relieve pressure. Current activities account for raising about 30,000 tons monthly. As the Levack ore runs about three parts nickel to one copper, output supplies the necessary balance to meet present heavy demands for nickel.

International production is now at the highest point in history, with ore coming from four mines—Frood, Creighton, Levack and Garson.

Building Boarding House

In order to provide accommodation for employees closer to the scene of operations International Nickel has commenced construction of a two-story fireproof boarding house at Creighton Mine, to take care of 150 men and to be ready in September.

Inco is steadily advancing its development of five new levels through the new shaft at Creighton, and it is expected these will have reached a point where they will be ready for large production in September. The shaft has a capacity of 4,000 tons per day. At the present time Creighton mine is supplying around 3,500 tons per day.

Douglas Ace Last of Deck

Aberhart's Hand Exhausted If Final Social Credit Play Fails

From Our Own Correspondent

EDMONTON.—According to a report from London, C. H. Douglas, author of Social Credit theory, whom the Aberhart Government hopes to bring to Alberta to advise on policy, has requested a list of the "beneficial owners" of Alberta bonds.

While this move on Douglas's part is without explanation by his two representatives in Edmonton, the request is linked with reports that Douglas plans to advise the Alberta Government to enforce the exchange of such bonds held outside the province, as well as in Alberta, into "credit."

Investment officials reported that no list such as Douglas requested was in existence.

A detail of the Alberta situation in danger of being overlooked is that the Aberhart Government, as far as its own efforts are concerned, has plainly repudiated all responsibility for introducing Social Credit. Since late in 1936, when the Social Credit Government abandoned its intentions of launching its Alberta Credit Act, it has done nothing in the way of preparing for an experiment, either along the lines then suggested by its act, or along new lines.

The sole remaining hope of a demonstration of the theory which Mr. Aberhart embraced and with which he won office, therefore, lies in Douglas himself. The Aberhart Government has no other cards in its hand, and when the Douglas "ace" is played out, possibly by next autumn, the hand will be exhausted.

Highlights

Gold Price Cut Unwise

Noted British authority urges time for adjustment and would encourage other nations to buy. Price cut may come later. Page 3

Closed Shop Opposed

Employers question ability and efficiency of unions as mechanism for employer-labor relations. Page 16

Selling Wheat

Jim Murray has sold Canada's huge wheat carryover with practically no loss and no slashing of prices. Page 9

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Rust Threat Chief Hazard

Rust is now the chief hazard threatening Canada's $300 millions wheat crop. There has been a fairly widespread outbreak in the northern States which only waits warm, moist weather to develop rapidly and spread north into Manitoba.

Moisture is badly needed in southern Saskatchewan and most of Alberta where continuing drought has further reduced prospects. It is beginning to be doubtful whether even a modest 300 million bushel total crop for the three provinces is now possible. Without some general rains in the two provinces mentioned, too, there is considerable danger of insufficient livestock feed.

Tramways Co. Raises Wages

Montreal Workers Also Granted Profit-sharing Plan

From Our Own Correspondent

MONTREAL. — Montreal Tramways Co. has made a wage agreement with all employees working on hourly rate and those paid on a monthly basis who earn less than $250 a month, calling for a $400,000 annual increase in wage and salary disbursements. The new contract will run for three years from July 1.

The company also announces a profit-sharing plan for the hourly paid employees and those on a monthly basis earning less than $2,500 a year. If gross passenger receipts are in excess of $13,025,951 in any one of the three years, the company will set aside 25% of the amount over this figure. The sum set aside to be divided between employees in proportion to the wages each employee received during the year for which the excess is calculated.

The amount of $13,025,951 is a total 5% greater than the passenger receipts for the year ended June 30, 1937.

The new agreement represents elimination of wage reductions which went into effect on Jan. 1, 1933. It brings a wage increase of four cents an hour for employees working on an hourly basis and a 10% increase for those on a monthly basis and earning less than $250 a month.

The company's action toward upward adjustment of pay has proved inacceptable to at least a section of the employees, and may lead to a dispute over demands for larger wage increases. When the contract drawn up by company officials and delegates of the Catholic syndicate of tramways workers was submitted to a general meeting of syndicate members, disapproval was voted by 450 to 4.

The contract has been accepted by the international union of street railway employees, to which most of the men belong.

Gypsum Scrap Is Still Heated

Would Pay Dividends if Haire Were President, Says McCurdy

Col. Henry Cockshutt, chairman of Gypsum, Lime & Alabastine, Canada, Ltd., blames R. E. Haire, former president, "for almost everything except the world-wide depression," according to an advertisement signed by R. S. McCurdy, chairman of the "shareholders' protective committee." This committee is acting on behalf of R. E. Haire who is seeking to regain control of the company.

Mr. McCurdy analyzes figures given in Col. Cockshutt's letter to shareholders and admits that cash on hand was increased but states that $200,000 of this cash came "not from earnings, but from the sale of assets, which is reducing the scope of activities of your company."

"Overhead expenses were lower, as well as earnings," adds McCurdy.

"The company under the present management hasn't been able to earn enough money in the past few years to even make annual payments to the sinking fund, approximately $100,000 per year, which removes to the far distance any prospect of dividends ever being paid under the present management."

The claim is made by Mr. McCurdy that Gypsum, Lime & Alabastine would "unquestionably" be on a dividend paying basis today if the management of R. E. Haire had been continued without interruption.

R. S. McCurdy admits that he only holds a small number of shares at present. (Col. Cockshutt had previously stated that McCurdy was the registered owner of 25 shares.) McCurdy adds, however: "As soon as the company is again managed by experienced, practical operators who know the business. . . . I am going to do the same as a great many other shareholders and outsiders, that is,

(Continued on page 4)

World Peace Move Seen In King Visit to Hitler

Napier Moore Suggests Canadian Premier's Trip to Germany Was Inspired by Imperial Conference — Believes Possibilities of Early European War Are Remote in Light of Present Factors

Prime Minister W. L. Mackenzie King may have gone to see Chancellor Hitler of Germany to sound out the Realmleader on the possibility of Germany's re-entry into the League of Nations; or to ascertain Hitler's feeling on economic rapprochements as means of fostering world peace.

H. NAPIER MOORE

Such are possible explanations of the Premier's much discussed German tour suggested by H. Napier Moore, editor of Maclean's Magazine. The Financial Post interviewed Mr. Moore following his return this week from a two-month visit to England, where he observed the Coronation, the Imperial Conference and the Empire Press Union meeting for Maclean's Magazine and The Post.

From Mr. Moore were sought answers to major questions upon which full light could not be thrown within the necessarily limited scope of his weekly cables to The Financial Post during the Coronation and Imperial Conference. Some of the questions have loomed as increasingly important since the close of the Conference and Mr. Moore's departure from London to return home.

Among the topics on which Mr. Moore gave his first hand observations were the reason for Mr. King's German visit; the possibility of war in Europe; the accomplishments of the Imperial Conference and the reasons those were not more extensive; the probable duration of the armaments-inspired business boom; the current British attitude on Canadian investments; Imperial preferences; the attitude of Premier Hepburn of Ontario toward the C.I.O.

King's German Trip

Of the reason for Mr. King's German trip, Mr. Moore has no direct knowledge. He recalled that the last time he saw the premier in London prior to his (Mr. Moore's) departure for Canada, Mr. King had made no mention of planning to see Hitler.

"It is possible that his visit is purely of a personal nature, as the premier says," commented Mr. Moore. "At the same time, my observations of persons and events in London make me regard it as quite possible that the trip to Germany was inspired by one or both of two developments at the Imperial Conference.

"In the first place, participants in the conference were united in the view that strengthening of the League of Nations by increasing its membership would be facilitated by breaking the links which integrate the League Covenant with the Versailles Peace Treaty. I believe the ultimate aim in this regard is to relieve the League and its general membership from the theoretical obligation to enforce the Treaty. Later would come a revision of the Covenant to make it less an active instrument of international policing and more a means of drawing all nations together on a basis by which co-operation could be achieved on matters of mutually agreeable policy.

"There is thus ground for conjecturing that Mr. King may have gone to Berlin to discuss the basis of Covenant revision on which Germany might be willing to rejoin the League. There is an equal possibility that he went also to feel out Germany on the doctrine he advanced at the Imperial Conference, of 'economic appeasement' as a means of preserving world peace."

European War Scare

Mr. Moore thought there were no immediate possibilities of war in Europe, as far as could be judged by present factors. This opinion, based on his own enquiries and observations, was paralleled in the emphatic view of an official high in the confidence of the British foreign office whom he interviewed the day before he sailed from England.

"I asked this man the very question you have asked me," said Mr. Moore. "His answer was: No. I found no evidence in England that any government of Europe actually wants war, though this situation may have been altered by events since I left London. As to Germany, the British feel confident that a way can be found to satisfy any justifiable claims Germany may have in the realm of international economics.

"Optimism is not so great in regard to Mussolini. I encountered opinion that the one danger is that he will impetuously precipitate a crisis at some time, but even then there is hope that sufficient influence can be brought to bear to avert hostilities."

Conference Achievements

The accomplishments of the Imperial Conference were more extensive and substantial than appeared on the surface or in the headlines, in Mr. Moore's opinion.

"For the first time," he said, "the Dominion spokesmen sat down and discussed their common problems without any time and effort having to be expended on arguments about constitutional status. Such points were all settled at the last conference by such achievements as the Statute of Westminster.

"The British spokesmen put their cards on the table on all subjects. The foreign policy of the Mother Country was frankly discussed. Delegates were told a lot they already knew. Canada, for example, has been kept well informed on such matters through the department of external affairs at Ottawa. But the visiting delegations also learned a lot they had not known before, particularly about events which occurred while they were in London.

"As all the sessions were private, delegates were able to talk with frankness, and did so. In regard to defense problems, there were vary-

(Continued on page 5)

Plan Issued For Edmonton

Plan Maintains Present Interest Rates Until Present Maturities

Edmonton debenture holders committee has prepared its plan for refinancing the city's $36.6 millions of debt, and it is now ready for recommendation to the board of public utility commissioners. The recommendation will become effective if approved by holders of 60% of the city's debentures.

The plan proposed to deal with the city's present debt follows:

(a) Cancel city's debentures held in the sinking fund.

(b) Refund other debentures by new debentures of the same face value due Feb. 1, 1967. Debentures bearing 4½% will continue to bear that rate. Debentures bearing 5%, 5½%, 6% and 7% will continue to bear such respective rates until the present date of maturity and then 4½% until paid, with the exception of the 6% debentures maturing in 1960, 1962 and 1963. New 4½% debentures will be issued in exchange for these latter issues and cash equal to the present value of the difference between the interest at 6% and 4½% for the period up to their present maturity date, will be paid at the time of the exchange.

The effect will be to maintain the present interest rate until present maturity and thereafter the rate will be 4½%.

(c) The city will provide for the payment of principal and interest by means of amounts equivalent to equal annual installments of combined principal and interest to retire the whole of the debt by Feb. 1, 1967. The principal portion of these installments will be used in each year to purchase refunded debentures.

(d) The securities in the sinking fund, other than the debentures of the city, are to be liquidated and the city may repay a bank loan which it incurred in respect to capital expenditure and also may use funds derived from this source for capital purposes to an aggregate of $2,700,000. Debentures are to be issued to the sinking fund for any such capital expenditure for utilities or local improvements.

In addition to the annual installments proceeds resulting from the liquidation of securities of the present sinking fund, in excess of requirements, are to be used to purchase or call refunded debentures.

(e) The refunded debentures will also be callable at face value and accrued interest on any due date out of funds from any source. If a part of them only is called, prior to Feb. 1, 1947, they are to be chosen by lot or drawing.

(f) While the refunded debentures will carry an ultimate maturity date Feb. 1, 1967, a portion of them will be paid off each year through the operation of the purchase and call feature.

New debentures will be dated Feb. 1, 1937, and interest will be payable Feb. and Aug. 1. Consolidated debentures will be payable in the same currencies as the old debentures for which they are to be exchanged.

United Fuel Earnings $4.80 on Preferred

Annual report of United Fuel Investments Ltd., which will make its appearance shortly, is expected to show earnings of over $4.80 per share on the 6% preferred stock for the year ended March 31, and a marked improvement in working capital position. The annual meeting of the company is scheduled for the latter part of July and an announcement of the pending reorganization will probably be forthcoming at that time. Earnings per share for the 1935-36 year were $2.37.

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Summer and Winter Sports

4

TO ONTARIO RESORTS

Summer Train Service

From TORONTO (in effect June 26th, except where otherwise stated)

Muskoka Lakes To Muskoka Wharf, Gravenhurst and Bracebridge

11.05 A.M. Except Sunday, connecting with Muskoka Lakes Navigation Co., at Muskoka Wharf for all Lake points.
12.30 P.M.—Saturdays only, (no boat connections).
6.15 P.M. Except Saturday (via Beaverton) for Gravenhurst and Bracebridge, connects at Bracebridge on Fridays only with motor coach service for Beaumaris and Port Carling—the centre of the lakes district.
RETURNING — Trains arrive TORONTO 3.45 P.M. except Sunday, effective June 28th., (via Beaverton) and daily 10.35 P.M. (via Allandale).

To BALA PARK, LAKE JOSEPH and PARRY SOUND

8.40 A.M. Except Sunday, connecting with Muskoka Lakes Navigation Co., for Lake points, also connects at Bala Road with Motor Coach Service for lake points.
12.30 P.M. Saturdays only (Effective July 3rd.) no boat connections.
RETURNING—Trains arrive TORONTO 6.30 P.M. except Sunday, effective June 28th (via Allandale) and 10.10 P.M. Sunday only, effective July 4th (via Beaverton).

Lake of Bays via HUNTSVILLE or BRACEBRIDGE

11.05 A.M. Except Sunday, connecting with Huntsville and Lake of Bays Nav. Co., at Huntsville for all points on Lake of Bays, also connects at Bracebridge, effective July 1st, with Motor Coach-Launch Service to BIGWIN INN via NORWAY POINT.
12.30 P.M. Saturdays only
6.15 P.M. except Saturday connecting at Bracebridge (effective July 1st) with Motor Coach-Launch Service to BIGWIN INN via NORWAY POINT.
RETURNING—Trains arrive TORONTO 3.45 P.M. except Sunday, effective June 28th, (via Beaverton) and 10.35 P.M. daily (via Allandale effective June 26th).

Algonquin Park

11.05 A.M. Tuesday, Thursday and Saturday only.
RETURNING—Train arrives TORONTO 3.45 P.M. (via Beaverton Monday, Wednesday and Friday only).

All train times shown are Eastern Standard T300A
For further information and particulars of other Train Service to Ontario Summer Resorts enquire from any Agent.

CANADIAN NATIONAL

The Nation's Business

(Continued from page 1)

many is able to trade more freely she will be supplied with the means of buying whatever she needs wherever it is to be had. She may still have political ambitions that will lead her on to the suicide of attempted conquest. But the economic urge at least can be removed.

• • •

A MAJOR war anywhere in the world may prove finally destructive to Canadian nationhood. Our varied groups are bound together by cords that are strong enough for times of peace but that could easily break under the pressure of war and of the necessity for determining a foreign policy to meet the needs of war. For that reason, among others, our voice must always be a voice for world peace. It follows then that our influence should be directed to removing the causes of war. Extreme economic nationalism is the major reason why war is today a very real possibility in the world.

• • •

American Public Turns on New Deal

THE current survey of public opinion conducted by Fortune Magazine shows that the United States public has swung away from President Roosevelt. The major cause is the president's effort to "pack" the Supreme Court. But it is obvious that there is another important contributing cause: the president's close association with John L. Lewis and his violent Committee for Industrial Organization. For the survey indicates that the A. F. of L. has more friends than the C. I. O., while the two together do not command as many supporters as there are opponents of labor unions in the United States.

It should be made clear that Fortune's surveys are made scientifically among all classes of people and not among its own readers. They have been very accurate in presenting a true cross-section of public opinion.

• • •

THE president is having plenty of evidence these days that the New Deal and most of its works are unpopular. Democrats in Congress, who are close to the rank and file of the people in all parts of the country, have been in revolt against the president, and this was the reason for the recent Jefferson Island picnic when the president invited all Democratic Congressmen to a quiet country spot where he could flood them with personality and seek to win them back.

The emergency of 1933 has passed. The willingness of the United States people to permit crisis experimentation under a radical reforming president is also passing. The United States is returning to what its leaders of public opinion are fond of referring to as "the fundamentals." Just what the fundamentals are is not always clear. But that they do include a large belief in individual initiative, in handsome rewards for brilliant achievement in business or the professions, and in competitive enterprise can be taken for granted.

All this is of great interest to us in Canada. Emotional tides in United States politics and social life have a great influence on public opinion in this country.

• • •

Rôle of Church In Social Reform

REV. DR. JOHN G. INKSTER, a leading clergyman in Toronto, preached a notable sermon on Sunday night in which he warned against the invasion of Canada by agents of the destructive C. I. O. and against the spread of Communist doctrines in Canada. The reason why Communists had fastened themselves on the C. I. O. was that they were seeking to control the nation by controlling its labor unions, he said.

Up to now, the Roman Catholic Church has been almost alone in leading a vigorous church fight against the poisonous propaganda of revolutionary movements. The Protestant churches of Canada have, in the main, dodged their responsibilities in the matter. Many Protestant clergymen have, in fact, been unwitting tools of Communist influences. Dr. Inkster indicated one of the ways that the clergymen have been led into this trap. A popular method of carrying on Communist propaganda, he said, was to publish programmes of "reform" which appealed to ministers of the Gospel, university workers and other persons of warm human sympathies.

• • •

THIS is all too true. Some of the "manifestoes" that have issued from pulpits in Canada have been more striking for a maudlin false humanity than for their practical service to mankind. A heart of gold is never a substitute for a brain of feathers. An utterly idealistic programme of "reform," that takes no account of human weaknesses and practical difficulties in application, does more harm than good. But many such programmes have received the endorsation of the Christian clergy.

From the Church the nation expects leadership in character building. It expects clergymen to be ahead of the rest of average citizenry in ferreting out evils, publicising them and seeking their correction. But when clergymen nail their banners to the mast of a political "ism" and declare that the adoption of a certain different system will change the hearts and minds of people, they weaken their own influence for good, for they preach what is not true. Their influence can best be exerted in promoting the principles of Christianity. With a universal acceptance of those principles any system can be made to work. With an unreformed humanity nothing can be accomplished by a change in system alone.

By all means let the Church and its workers crusade for reform. But let them do it, first, through the upbuilding of character and, secondly, through support for practicable improvements and not at all through the direct and indirect support of purely political movements for revolutionary change.

Assets $199 Millions in '36 For Alliance Insurance

Total income of $35.7 millions, consisting of $28.8 millions from premiums and $6.9 millions from interest on investments, is reported by Alliance Insurance Co. Ltd., of London, England, for 1936. Total assets at the close of the year were $199.4 millions of which $128.2 millions consisted of life assurance and annuity funds.

Fire insurance fund now stands at $16.3 millions and sinking fund and capital redemption insurance funds are $12 millions, the company's annual report reveals. The company does a substantial volume of fire, automobile and casualty business in Canada.

Fleet Aircraft Ltd. Lists Stock on Montreal Curb

MONTREAL. — Montreal Curb Market has called for trading capital stock of Fleet Aircraft Ltd., the listing covering 90,000 shares of no par value with authority to add 10,000 shares upon receipt of official notice of issuance.

Canadian Hydro Plan For Reorganization Finds Investor Critics

(Continued from page 1)

regard to its bonded debt, the Ontario Hydro-Electric contracts, and its relationship to the Gatineau Power Co. I cannot agree that the corporation is being forced into this reorganization on the terms proposed by stress of circumstances. A refunding of the 1941 maturity has reference to a security that is prior to any preference shares or funded arrears of dividends.

Conflict of Interest

"There is a manifest conflict of interest between the Canadian and English holders of the first preference shares, on the one hand, and the American group that controls the company (being holders of the second preferred and common) on the other hand. It is for the first preference shareholders to see to it that the terms of any proposed reorganization are fair and reasonable, and that the company's obligations to them are properly respected."

The arrears of dividends on the first preference stock, while objectionable, cannot be regarded as a serious stumbling block to the refunding of the 1941 maturity of debentures. This is claimed to be one of the main objectives of the reorganization. However, by effecting the exchange of securities from Canadian Hydro to Gatineau Power the way is made clear for the issuing of a convertible debenture, which appears to be a type of security that can be successfully marketed at this time.

Again if the debentures constitute such a pressing problem to the company, it would appear to be more advantageous to wait for an improved market before carrying out the refunding. In time, the situation in regard to the Ontario Hydro contracts may be clearer. Further, if earnings expand in the manner anticipated by the management, then improved earning power should command a better price for the proposed new convertible debentures.

Through accumulation of surplus earnings between now and 1941, a large proportion of the outstanding debentures could be retired—at least $5 millions and possibly more. This procedure would make it easier for the company to refund the debentures at maturity rather than now.

Question of Dividends

Such a policy, of course, would delay the payment of dividends until long after the date set out in the plan. However, the position of the first preferred shareholders would be strengthened rather than weakened.

Another shareholder in Quebec regards his preferred stock holdings in much the same light as the Vancouver shareholder. He points out that "when these shares were put on the market, they were subscribed for on the distinct understanding that they would not be redeemed under 110."

"What compensation," he continues, "are the present shareholders offered for the giving up of this promised premium of 10%?"

Apparently there is some confusion here as regards the rights of the first preferred shareholders. The holders are entitled to the 10% premium only in the event of liquidation or dissolution, voluntarily or involuntarily.

There is no dissolution or liquidation involved in the plan put forward by the company. It is simply a case of exchange of securities of the holding company for those of the operating company.

However, it is noted in the plan that the new preference stock of Gatineau Power will be entitled to a premium of 5%, instead of 10% for Canadian Hydro first preferred, in the event of dissolution, bankruptcy, etc. This, in effect, is a further concession by the holders of Canadian Hydro first preferred stock.

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Alberta Town Celebrates Its Golden Jubilee

This week Cardston, Alberta, is celebrating its golden jubilee. The town was founded 50 years ago by Charles Ora Card who was sent to Canada by the Mormon church to found a colony.

Cardston is notable for its massive and beautiful Mormon temple.

Celebrating the Golden Jubilee, the Lethbridge Herald, published by Senator W. A. Buchanan, has published a special edition of 60 tabloid-size pages, which record the history and achievements of the community.

Meighen Firm to Fight Canadian Hydro Plan

(Continued from page 1)

stock. "We feel," the memorandum states, "that every effort should be made by each holder . . . to stop and prevent the carrying out of the proposed plan in its present form."

The principal criticisms of the plan in the analytical memorandum are:

1. There is no necessity of reducing the dividend rate below 6% as earnings have been substantially above that amount.

2. Shareholders appear to be expected to look for a sufficiently high market price for Gatineau Power common shares to compensate for sacrifices, and might not obtain it.

3. On a dividend basis, shareholders are being asked to give up $1 a share, cumulative, for hopes of dividends, non-cumulative on common shares; and $1 a share would not be received for a considerable time.

4. The proportion of the equity to be given to first preferred shareholders, namely 7½%, is not nearly commensurate with what is to be given up.

5: The removal of the conversion privilege on the present Canadian Hydro second preferred stock can hardly be said to be of real importance to the first preferred, as such conversion can only be effected when dividends on the first preferred are well protected.

The memorandum states:

"Unless a new plan, fair and equitable to the first preferred shareholders is submitted before the date of the meeting on July 15, we shall have a representative of our company there to resist this plan being carried out."

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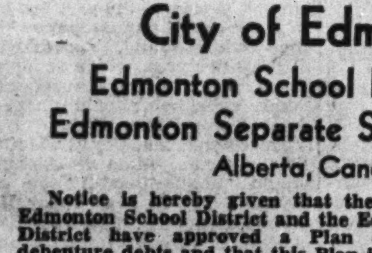

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230 Bay Street (Opposite Evening Telegram) Toronto

Notice to Debenture Holders of the City of Edmonton

Edmonton School District and Edmonton Separate School District

Alberta, Canada

Notice is hereby given that the City of Edmonton, the Edmonton School District and the Edmonton Separate School District have approved a Plan of adjustment of their debenture debts and that this Plan is being recommended by the Debenture Holders Committee for acceptance by the debenture holders.

Since to become effective, the Plan requires the approval of holders of 60% in value of the debenture debt, the Committee desires to urge that it is important to all holders of debentures issued by the City of Edmonton, the Edmonton School District and the Edmonton Separate School District that they communicate with the Secretary to the Committee, F. L. Hancock, Esq., 10th Floor, 302 Bay Street, Toronto 2, Ontario, in order to obtain complete details of the Plan affecting their securities, together with the form of approval.

Regarding Statements Being Made by Col. the Hon. Henry Cockshutt in connection with Gypsum, Lime and Alabastine, Canada, Ltd.

WE BELIEVE Col. Cockshutt in his recent booklet has made a number of misleading, exaggerated and magnified statements. These are being fully answered in a letter going forward to all shareholders.

In his booklet Col. Cockshutt has attempted to reply to all the statements of your Shareholders' Protective Committee but one.

Col. Cockshutt has not even attempted to answer the statement that for more than eighteen years the Cockshutt Plow Company, under his management, did not pay one cent in dividends to the common stock shareholders (although other companies in the same line of business were paying good dividends and making profits). Furthermore, the capital structure of the Cockshutt Plow Company has been changed twice, one change resulting in a loss to the common-stock shareholders of 40% of their holdings in favour of the preferred shareholders who received new stock and cash. Despite these changes the Plow Company still does not seem to be in a position to pay dividends since its last annual statement shows that it owes the Bank over one and a half million dollars.

Yet Col. Cockshutt attempts to "criticize" Mr. R. E. Haire, who successfully built the Gypsum Company into the largest of its kind in Canada, paid dividends every year for more than thirty years until stopped by the recent depression and who is the outstanding operator and authority in the line of business in which the Gypsum Company is engaged.

This comparative record is so striking that it sums up and answers the entire question.

The funds required to bring these matters to the attention of the shareholders have been subscribed, a small amount from each of a number of the members of the Shareholders' Protective Committee, all of whom have been long-time shareholders of the company — for the purpose of returning to office the former successful management so that dividends and profits for the shareholders will be again the order of the day.

R. S. McCurdy,
Chairman,
Shareholders' Protective Committee,
1014 Canada Permanent Building,
Toronto.

Gold Price Cut Unwise Now May Come Later, Says Expert

Hon. R. H. Brand Urges Time for Adjustment of World Situation to Present Output — Would Encourage Other Nations to Buy

Gold as a world problem is the subject of three recent articles in The Times, London, by The Hon. R. H. Brand, noted British authority on finance. Mr. Brand is managing director of Lazard Bros. & Co., merchant bankers, and a director of Lloyd's Bank Ltd., one of the British "big five." He has contributed to studies of international money problems with distinguished economic authorities through the Royal Institute of International Affairs.

Mr. Brand's comments on the gold situation have received close attention in financial London. His conclusion is that the price of gold need not necessarily be reduced at present but that ultimately it is a possibility.

Summarized by The Financial Post, with close attention to major principles but necessarily omitting considerable detail, Mr. Brand's comments are as follows:

The gold problem which is creating such uncertainty throughout the world lies, first, in the increase from $11.5 billions to nearly $23 billions in the value of the world's monetary gold supplies in the past five years. Secondly, the production in 1936 was worth some $1,250 millions in money compared with approximately $400 millions in 1929.

The great increase in the money value of gold, due largely to the increase in price, and the expanded value of annual production, raise the question of whether the world's supplies of gold are likely to prove excessive.

One may say that gold fulfills two important functions:

1. As backing for notes and deposits of central banks.
2. As international money to keep currencies stable.

The first function, which is regarded as more or less obsolete, does normally place some check on the liberty of politicians to depreciate a currency.

As to the second, if gold were not used it would be necessary for central banks to accept foreign currencies as satisfactory payment for large amounts at times to keep currency levels steady. The prospect that central banks, without using gold, might have to hold as their reserves many millions of foreign currency is hardly inviting.

Nations' Gold Holdings

If the supply of gold were just sufficient for both functions all would be well. But the greatest gold-holding country, the United States, has more gold than it needs for both purposes and yet is faced with the prospect of having to accept more.

It is not certain whether Great Britain has too much or even enough gold for all eventualities because all the figures are not made public. If the reserves are superabundant, however, the cost of holding them is not a primary problem as long as they are not allowed to produce an undue credit inflation.

As for France, gold reserves have been reduced by flight of French capital abroad, and if political confidence were restored, France might easily absorb again hundreds of millions of gold.

The reason that countries like the United States and Great Britain continue to buy gold is that if they stopped it would demonetize the metal, and there would be no common measure by which to keep currencies stabilized. The magnitude of the gold which has had to be bought by the United States and the United Kingdom arises partly from political troubles in Europe and partly from other countries being unable or unwilling to purchase large amounts.

Four Alternatives

The alternative courses seem to be:

1. That the United States and United Kingdom continue to absorb all the gold offered at present prices, "sterilizing" their excess quantities to prevent inflationary increases in commodity prices, in hope that the problem will solve itself.
2. That while doing so they take active steps to secure a better distribution of gold.
3. That the United States and United Kingdom reduce the price of gold in hopes of reducing supplies.
4. International restriction of gold production.

As to the first, those who favor continued purchases of gold count on such possibilities as these: that the sharp increase in Russian production may prove temporary; that commodity prices will rise and eventually enable debtor countries to buy gold; that rising costs may restrict gold output; that India may resume hoarding; that France may again absorb gold; that the public might be encouraged again to use gold coins; that commercial banks might hold part of their cash in the form of gold; that central banks may exchange their holdings of securities or currencies for gold.

It will be noted that all these are uncertainties.

Distribution and Restriction

As to the second alternative—measures to secure better distribution of gold—such measures must either take the form of purchasing more goods from debtor countries, or else lending to such countries.

The method of securing better gold distribution by purchasing more commodities from debtor countries would be facilitated by allowing commodity prices to rise substantially and by reducing tariffs and generally freeing international trade. It is not practicable to lend by selling publicly the securities of debtor countries because, to the ordinary investor, most of the debtor nations are bankrupts. Governments might make large political loans, but the obstacles are great and depend largely upon political appeasement.

Let me deal with the alternative of regulation of output before that of a reduction in the price of gold.

A regulation of output is superficially attractive but has most serious disadvantages. Gold has a certain mystic quality and it is doubtful whether any solution to the present problem could do more to destroy that mystic quality than to treat gold as though it were rubber or tin. Also there would always be great uncertainty whether any restriction scheme would be adhered to.

Reduction in Price

The last alternative is a reduction in price. A considerable part of the increase in production has been caused by the rise in price, and output would be materially affected by a reduction in the price.

A serious argument is that reduction in the price of gold must necessarily involve a severe fall in prices in general.

This argument I believe to be unfounded. Suppose that tomorrow it was announced that an agreed reduction in the price of gold had been made by all the important countries concerned, and suppose further that this announcement were supplemented by another to the effect that all the governments had determined to let this change have no influence on their monetary policy and had every reason to suppose their gold supplies would be ample for all possible requirements.

Such announcements would at least temporarily seriously affect the mining industry and the speculation in gold shares. But why should there be any general catastrophe? Credit facilities would be unimpaired; there need be no fall of prices in general. Nevertheless there is a large body of public opinion that all prices would fall with a reduction of the money value of gold.

Two Main Policies

Therefore the two main aims of policy should be:

1. To dispel from the public mind the idea that reduction in the price of gold would reduce the general world level of prices.
2. To maintain confidence in gold as the common denominator between currencies.

Notwithstanding the very big rise in the price of gold, other prices are still well below the 1929 level. Those of us who were inclined to ridicule the view that prices in general would follow the rise in the American price of gold in 1934 can hardly now believe that other prices must fall with gold.

Gold affects other prices only indirectly through the credit structure. If the credit structure need not be disturbed by revision of the money value of gold, other prices need not be affected. Any change internationally in the price of gold would almost necessarily be accompanied by some provisional stabilization of currencies, and the removal of uncertainty is likely to bring an increase rather than a reduction in the general level of prices.

Secondly, confidence should be maintained in gold and that is not ultimately to be maintained if unwanted stocks of gold have to be heaped up

The Wisest Course

The wisest course to follow is to allow time for adjustment of the world's situation to the present gold output, and for the United States and United Kingdom to continue for the present to absorb all gold that comes on the market, supplementing this policy by willingness to allow a general rise of prices, encouragement of holding of gold by other countries, and efforts to improve international trade and political relations.

If this policy were given every chance to prove itself, and if in time both the United States and United Kingdom should have more gold than they could possibly require and yet must continue to buy, the questions would arise:

Whether indefinite increase in the unwanted gold stocks was consistent with the objective of maintaining confidence in gold, or whether that aim could only be achieved by some international revision of the money value of gold calculated to reduce the new supplies.

25-Cent Dividend For Power Corp.

From Our Own Correspondent

MONTREAL.—Power Corp. of Canada has declared an interim dividend of 25 cents a share on the common stock, payable July 26, to shareholders of record July 3.

A similar dividend was paid Dec. 31, 1936. The latter was the first payment since May 20, 1932, when 50 cents was paid as the stock was then on the 50 cents quarterly basis. No dividends were paid between May 20, 1932, to Dec. 21, 1936.

York Knitting Bonds Offered

Consolidated Earnings Equal to 80 Cents a Share in 1936

Public offering of the new $1 million bond issue of York Knitting Mills Ltd. has been made. This follows the adoption on June 23 by shareholders of York Knitting Mills and its subsidiary, Zimmerknit Co. of a plan for consolidating and refinancing the two companies.

The new bonds include $200,000 of 3½% serial bonds, due Aug. 1, 1938-41, $200,000 of 4% serial bonds, due 1942-45, and $600,000 of 4½% bonds due Aug. 1, 1952. The 4½% bonds are offered at 98 and accrued interest.

Capitalization of York Knitting Mills, giving effect to the refinancing, will be as follows:

Capitalization
(After giving effect to present financing)

	Authorized	Outstanding
First mtge. bonds ...	$2,000,000	$1,000,000
7% cum. 1st pref., $100 par	150,000	150,000
7% cum. 2nd pref., $100 par	300,000	300,000
Common, n.p.v.	300 000sh.	*229,012 sh.

*Of which 33,652 shares will be issued to holders of common shares of Zimmerknit Co., excluding those shares now held by York Knitting Mills, on a share for share basis.

Earnings

Earnings figures, on the consolidated basis are given as follows:

Consolidated Earnings
Years Ended Dec. 31

	1936 $	1935 $
Earns. before deprec., bond int. & disc. & income taxes	310,562	271,068
Less: Depreciation ...	52,570	65,382
Avail. for bond int. ..	257,992	205,686

Giving effect to the new capitalization, shown above, the balance available for the new common shares would have been 80 cents a share in 1936 and 57 cents a share in 1935. Zimmerknit common shareholders receive new common shares on a share for share basis. In 1936 the balance available for common shares of Zimmerknit Co. was equivalent to 31 cents a share and in 1935 only two cents a share was earned. This makes it appear that earnings on the new common should be greater than in the past. Aggregate sales for the five months ended May 31, 1937, improved 12.6% compared with the corresponding period of 1936.

As part of the consolidation plan the present two bond issue of Zimmerknit Co. and that company's 7% preferred stock are to be redeemed.

Capital Wire Co. Issues Shares

Preferred and Common Offered in Units at $40

From Our Own Correspondent

MONTREAL.—R. O. Sweezey & Co. and Hanson Bros. Inc., are putting on the market 10,000 shares of preferred stock of Capital Wire Cloth & Manufacturing Co.

The offering consists of units of one convertible preference share and one common stock at a price of $40. The preferred has no par value, but is entitled to accumulative dividends of $1.50 a share; redeemable at $26.50 a share; and convertible into common stock, share for share, any time prior to redemption.

The capitalization of the company consists of the 10,000 shares of preference, and 25,000 shares of common. The fixed assets are carried on the balance sheet at $219,371 against which a reserve for depreciation of $170,982 has been set up. The balance sheet as at June 15 last, shows total current assets at $195,762 and total current liabilities at $10,234.

Net profits in 1935 amounted to $34,649, and in 1936 to $36,420.

Barcelona Traction Upset by Revolution

Directors Cannot Issue Annual Report Due to Spanish Fracas

Barcelona Traction Light and Power Co. is not issuing its annual report at the present time because the revolution in Spain has made it impossible to obtain reliable information on the condition of the enterprise, according to an explanation by R. H. Merry, secretary of the company, on behalf of the board of directors.

Tracing the effects of the revolution on the company's position, Mr. Merry states that on the outbreak of the revolution in July, 1936, a workers' committee installed itself on the premises of the enterprise in Barcelona. A few weeks later the management was informed that the workers' committee was assuming complete control as a step toward nationalization of the undertaking. The seizure covers all the property, funds and banking accounts of the Barcelona Traction enterprise.

Representations were made by the company through the British Foreign Office against the seizure to the Catalonian Government in Barcelona. However, the workers' committee still continues in control and its funds and cash have been removed from its banking accounts and apropriated by the workers' committee.

Seizure of Money

At the time the workers' committee assumed control, the company had liquid funds in Barcelona amounting to 43 million pesetas, equivalent to about $6 millions, measured by the restricted exchange rates quoted in the company's report for the 1935 year.

Mr. Merry points out that even before the revolution there were restrictions on trannsactions in foreign exchange and it was difficult to remit funds from the country. Since the revolution started chaotic conditions have developed in Spanish currency, and there are now two kinds of pesetas, the Government peseta and the Franco peseta.

In Aug., 1936, all British subjects were warned by the British Consul General to leave Spain and some members of the company's staff were evacuated. F. Fraser Lawton, president and managing director, and other chiefs of the company's staff remained in Spain in the hope of protecting the interests of the company. In Sept., 1936, however, the board of directors instructed them to leave the country, which they did. Key men of the operating staffs and other important officials are being retained by the company at reduced salaries during what Mr. Merry described as "the interregnum."

Directors of the company understand that since Sept., 1936, as a result of bombing by aircraft, certain damage has been done to the company's properties, but no reliable information is available as to the extent of the damage or whether the necessary repairs have been effected satisfactorily. The management states that it is in continual communication with the British Chamber of Commerce for Spain and is also keeping in touch with the British Foreign Office which is protecting British interests in Spain as far as possible.

I.P.&P. Profits Above Estimates

From Our Own Correspondent

MONTREAL.—International Paper & Power Co.'s earnings for the first six months of 1937 will be somewhat in excess of $4,750,000, according to a statement made by Richard J. Cullen, president. This is at a rate slightly better than the company's budget figure of $9 millions for the full year.

Comparative returns for the first half of 1936, show a net profit of $262,542, equal to 29 cents a share on the outstanding 7% preferred stock.

Loblaw Profit 20% Higher

Directors Continue Policy of Extending Market-type Stores

Gross sales of Loblaw Groceterias Co. rose 17.5% in the year ended May 29, 1937, but net profits increased 20%. Gross sales for the past year were $19.1 millions, an increase of $2.8 millions.

The relatively better showing of the company's profits is probably due to an internal expansion that has been going on for some time. Out of the 112 stores operated by Loblaw Groceterias Co., 69 are of the market type compared with 48 market type stores a year ago. The directors announce that they intend to extend the number of market type stores wherever possible in the present stores.

Effect of the larger stores is seen in another way. Based on 112 stores operating at May 29, 1937, and 111 stores a year earlier, average sales per store were $170,876 in the 1936-37 period and $146,779 in the previous year. Profits per store are calculated at an average of $11,132 in 1936-37 and $9,348 in the previous period.

An increase of 22 cents a share was made in net profits of Loblaw Groceterias Co. in the year ended May 29, 1937. Earnings available for the combined class A and B shares in the past fiscal year were $1.33 a share against $1.11 in the year ended May 31, 1936. Dividends totalling $1.12½ a share were paid in the past year compared with $1 in the previous period.

The company's annual meeting will be held at the head office on July 28, 1937.

Income and Surplus Account
Years Ended May 31

	1937 $	1936 $
Gross sales	19,138,176	16,292,497
Net oper. profit	1,246,744	1,037,597
Int. on invest. & bank bal.	54,460	46,757
Net earnings	1,301,204	1,084,354
Less: Income tax res..	200,000	167,000
Net profit	1,101,204	917,354
Less: Class A divds. ..	500,688	445,307
Class B divds.	431,212	383,300
Surplus for year	169,304	88,747
Add: Prev. surplus ...	2,994,549	2,921,643
Profit on bond sale.	1,276	1,069
Less: Inc. tax adjust...	......	16,910
Surplus forward	3,165,129	2,994,549

Working Capital

	1937 $	1936 $
Current assets	3,768,087	3,537,221
Current liabilities	1,242,804	996,294
Working capital	2,525,283	2,540,927

Canada Bud to Pay Dividend of 40 Cents

A dividend of 40 cents a share has been declared by Canada Bud Breweries Ltd., payable July 20 to shareholders of record July 6. A payment of the same amount was made July 20, 1936, and was followed by another 40-cent payment Dec. 19, 1936. As there are 150,000 shares outstanding, the amount of the payment is $60,000.

Sales for the early months of this year are reported considerably higher than for the same months of 1936 in which year earnings were $1.12 a share compared with 91 cents a share in 1935.

Higher prices this year for brewers' supplies may have some effect on earnings.

Soo Line May Deficit Is Above 1936 Figure

MONTREAL. — Minneapolis St. Paul and Sault Ste. Marie Railway Co., in which the Canadian Pacific Railway holds controlling interest, had a net deficit in May of $554,120. This contrasts with net deficit of $393,767 for the same month a year ago.

Mortgage Loans

If you hold one or more mortgages which need special supervision and management to prevent loss—consult us regarding the services we are qualified to render in such cases.

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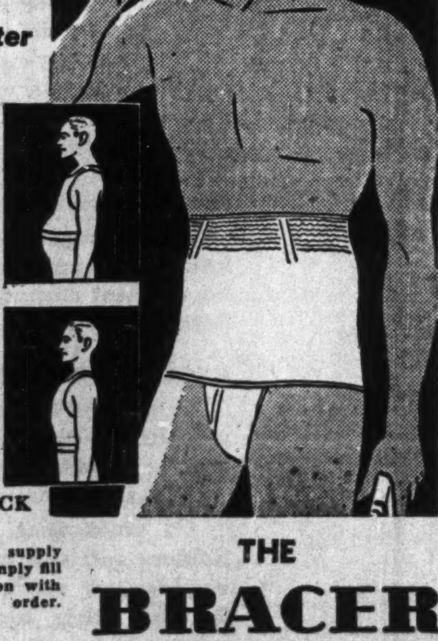

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Investment Trends

Stocks Hold Ground But at Low Levels

Although Clear Evidence of End of Slump Is Lacking, Advisory Services Suggest That Buying Time May Be Near

Examination of fluctuations in stock market averages for the past two months shows the absence of a general trend. The immediate trend is regarded as downward until clear evidence to the contrary develops, but there has been no pronounced net decline since the first of May.

The Toronto Stock Exchange average for industrial shares recently broke through the April low of 157.8. But a trading range appears to have been established between 157 and 170.

The Montreal Stock Exchange index continued to fluctuate in a range of 100 to 110.

In New York, the Dow-Jones average for industrials has moved sluggishly between 165 and 175, and the principal point of weakness has been in railroad shares which has carried the average to new low ground.

Continuation of serious strikes in the United States, and the French financial troubles, have tended to discourage investment in common stocks. In general, stock markets are demonstrating the lethargy that often develops when a downward movement is running out its course.

Market advisory services continue optimistic for the long-range outlook for common shares and suggest that if the bottom level of prices has not been established quotations are sufficiently close to bottom to warrant discriminating purchases.

Gold shares have been stronger in London for several days.

Troubles Abroad

Perhaps it should be regarded favorably that the international friction caused by the Spanish civil war has not created panic conditions in security markets. There may be a parallel in the fact that the Ethiopian war, now almost forgotten, did not have a serious influence on stock markets.

More serious from a financial point of view is the French financial trouble where the exchange fund created by devaluation of the franc has been exhausted. The French budget deficit is having a distinctly inflationary effect, stimulated by the mistrust of French finances by Frenchmen who have been sending money abroad.

Apparently in support of the price of gold and of the franc, the British exchange fund is to be increased from £350 millions to £550 millions. Another phase of British monetary policy has been increases in gold holdings of the Bank of England which seem likely to rise still further rather than to decline.

Even though the influence of these developments is restrained in Britain and to some extent in the United States, there can be no doubt that international money manoeuvres are in inflationary orbits. In the circumstances, there is a good deal to be said in favor of common stock investments which are likely to improve with higher prices and quickened business.

* * *

Paying For Stocks

An investor raises the question that frequently causes problems for both stockbrokers and their clients: Should stocks be paid for before they are registered and delivered?

There is a disadvantage in prepayment if the investor's buying agent should get into financial difficulties. Usually stockbrokers do not earmark money received as full cash payment for stocks from other funds. And if a broker were to fail the client's cash would possibly become part of the bankrupt estate. However, Montreal and Toronto Stock Exchange regulations require members to earmark specifically securities that are fully paid for. And once the broker has received delivery himself, the outright purchaser of shares should be protected by this device.

On the other hand, there is a disadvantage to the stockbroker in registration of securities before they are paid for. It makes it difficult to charge interest if the client is a few days late in paying, and in the event of the absence or death of the client, it ties up money in non-negotiable certificates.

There is a comparatively simple solution for both parties. Delivery of shares can be made for cash through a trust company or bank, in the form of transferable certificates. By this C.O.D. method, any doubts about either payment or delivery are avoided.

* *

Preferred Shares

Recently we reported in this column that some Canadian life insurance companies which had not made a general practice of buying common shares were paying closer attention to the equity type of security. Now the Wall Street Journal states:

"High-grade preferred stocks are in a buying range in the opinion of several large life insurance companies. They plan in the near future to invest several millions in this type of security. Such a development marks a sharp deviation in the policy of life insurance investments which heretofore have been confined almost exclusively to high-grade bonds."

With the present-day difficulty of finding income, of say 5%, with safety in good bonds, both large and small investors appear to be warranted in giving closer attention to preferred shares. Where there are no bonds ahead of preferred stocks, the latter may be highly desirable. But it is important to see what restrictions there are against issue of securities senior to the preferred issue.

* * *

Gold Advice

"It is my opinion that anybody who permanently invests more than one-third of his savings in gold mines (even the best) is foolish and ill-advised." So says Stephen Leacock in his recent article in Barron's on gold and gold mining.

Along comes a "financial service," reporting Mr. Leacock's article under a headline: "Stephen Leacock believes in gold mines as a good investment for up to a third of a man's savings."

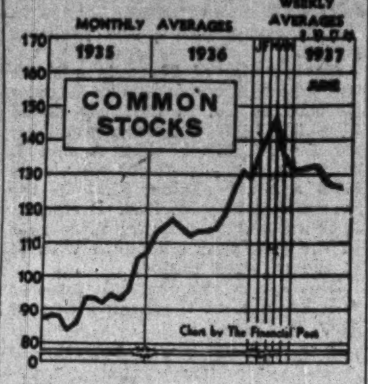
There is a vast difference between what Mr. Leacock said and what the headline says he said.

* * *

Aviation Shares

This year there have been several offerings of stock in aircraft firms or air-transport companies. In most cases the earnings record is either non-existent or unimpressive.

That does not mean that profits in aviation investments are improbable, for increased activity in Canadian aviation is likely to help many companies establish more satisfactory earnings. For the ordinary investor, however, it may be best to bear in mind that new ventures like some of the air companies carry greater risk than established businesses. There is always the possibility of large profits for the investor who is willing to take the high initial risks in buying into new enterprises. But there are usually numerous disappointments for the investor who persistently concentrates his funds in such risks.



STILL DOWN

Index of common stock prices rose slightly to 128.7 for the week ended June 24, remaining near the low for the year. Comparative Dominion Bureau indices appear on this page.

Gypsum Lime Scrap Into Another Round McCurdy Raps Cockshutt

(Continued from page 1)

again pick up a substantial number of shares for dividends and profits."

Only One Issue

Col. Cockshutt states that the only issue before the shareholders of Gypsum, Lime & Alabastine is whether or not the management will remain with the present board of directors or return to the direction of R. E. Haire.

"All other matters injected into the question are side issues, raised in an attempt to 'cover up' the conditions which faced your present directorate when the management was changed at the end of 1932. For these conditions the management of Mr. Haire was responsible," states Col. Cockshutt in an advertisement.

Mr. Haire, writes Col. Cockshutt, firmly refused to effect economies and the directors found it necessary to appoint an executive committee in 1932 to curb expenses. Col. Cockshutt, in this advertisement, also questions the accuracy of the claims made by Mr. Haire as to dividends paid. In place of the $16 a share which R. S. McCurdy had said was paid in 1932 and 1933, Col. Cockshutt says that the total dividend paid for the two years was $2 not $32. Even this amount, Col. Cockshutt points out, was $472,097 more than available earnings.

At the meeting in 1935 which adopted the resolution eliminating the deficit of $504,887, Mr. Haire supported the move, according to Col. Cockshutt's advertisement. He adds that "something has undoubtedly happened since that meeting to make Mr. Haire desirous of regaining control."

Company Reports

Eastern Dairies

A consolidated net loss of $179,141 is reported by Eastern Dairies Ltd., and its subsidiaries for the year ended March 31, 1937, which is substantially larger than in the previous year when a net loss of $51,689 was reported.

Before depreciation, bond interest was earned 1.27 times, but after providing for depreciation earnings were $8,329 short of interest requirements.

During the year taxes, operating expenses and the cost of raw materials increased. Taxes paid by the company increased 22% of which a substantial amount was due to the increase in sales tax on ice cream.

Outstanding first mortgage bonds were reduced during the year by $59,500 to $2,781,000. In addition the company and its subsidiaries holds $53,000 of these bonds.

Investments carried under current assets are shown at a book value of $328,644 which is $99,634 higher than the market value.

Cons. Income and Surplus Account
Years Ended March 31

	1937	1936
	$	$
Oper. profit	267,295	397,008
Add: Disc. on bonds redeem.	6,818	6,54[illegible]
Inc. from invests.	12,450	11,370
Profit on sale of secs.	......	52
	286,563	415,271
Less: Exchange prem.	1,749	1,727
Executive salaries	39,612	61,097
Directors' fees	2,460	1,880
Legal fees	12,654	1,116
Prov. for taxes	2,146	1,601
Depreciation	225,918	215,000
Bond interest	170,712	174,085
Amort. of bond disc.	10,454	10,454
Net loss	179,141	51,689
Less: Prev. surplus	9,223	35,773
Adjustments	......	25,479
Add: Prior yr's. tax.	8,442	......
Balance forward	*178,360	9,223

*Deficit.

Working Capital

	1937	1936
	$	$
Current assets	1,075,634	1,256,715
Current liabilities	598,117	545,957
Working capital	477,417	710,758

Corporate Investors

On the average number of shares outstanding Corporate Investors Ltd., Toronto investment trust, earned 25 cents a share in the year ended April 30, 1937. This compares with 26.3 cents in the preceding year.

The company has raised its dividend rate and 6½ cents a share will be paid on Aug. 15, 1937, to shareholders of record July 31. Dividends paid for the year ended April 30, 1937, were 22 cents a share. The 6½ cents payment is the second increase in 1937, the rate being increased from 5 cents a share to 5½ cents with the payment due Feb. 15, 1937.

Annual rate of earnings on average capital invested was 5.4% in the past fiscal period compared with 6% in the preceding year.

Investments in marketable securities were shown at cost less reserve, of $1,189,806 at April 30, 1937. Market value of investments was $1,395,245. Comparative figures for April 30, 1936, are $550,364 and $613,702 respectively.

Equity per share on the 195,063 shares outstanding at April 30, 1937, was $7.14 a share compared with $6.31 a share on 96,515 shares at April 30, [illegible]

[illegible] and Earned Surplus
[illegible] Ended April 30

	1937	1936
	$	$
Investment income	45,659	20,605
Other income	626	665
Total income	46,285	21,270
Less: Interest paid	2,850	......
Admin. expenses	7,809	3,603
Income taxes	38	35
Net profit	35,579	17,632
Less: Dividends	30,218	13,109
Surplus for year	5,361	4,523
Add: Prev. surplus	4,448	1,719
Less: Tr. to inv't. res.	1,742	1,794
Surplus forward	8,067	4,448

Canadian Wirebound

Canadian Wirebound Boxes, Ltd., Toronto, has reported net profits equivalent to $2.64 a share on the class A shares for the year ended April 30, 1937. If allowance is made for the participating provisions of the class A stock, earnings on the class A will be $1.71 a share and $1.21 a share on the class B stock.

The class A stock participates equally with the class B in any distribution after $1 a share has been paid on the class B. The class A is entitled to a $1.50 a share preferential dividend. Arrears of dividends on the class A will be reduced to $2.25 a share after the payment of $1.37½ a share on July 2.

Number of class A shares outstanding was reduced to 52,584 at April 30, 1937, through the purchase of 2,560 shares in the past year. A credit of $7,270 arising from this transaction was used to write down the book value of patents, leases, etc.

Income and Surplus Account
Years Ended April 30

	1937	1936
	$	$
Net earnings	227,946	196,988
Less: Depreciation	54,226	51,641
Income tax provision	19,970	15,279
Net profit	153,750	130,068
Less appropriations:		
Spec. surplus acct.	15,171	12,476
Class A divds.	80,929	60,937
Surplus for year	57,650	56,655
Add: Previous surplus	89,727	38,379
Tax adjustment	91	......
Less: Income tax adj.	......	2,779
Loss on sale of equip.	2,134	2,528
Surplus forward	145,334	89,727

Working Capital

	1937	1936
	$	$
Current assets	514,673	350,409
Current liabilities	200,433	102,784
Working capital	314,240	247,625

United Corporations Limited
5% Bonds, due February 15th, 1953

Descriptive circular upon request.

United Corporations Limited, an investment company, held assets of more than $12,695,000 at December 31st, 1936, which after deducting all other liabilities amounted to $2,777 per $1,000 bond.

Its portfolio included over 185 diversified securities, including Canadian, British, United States and foreign bonds, preferred and common stocks.

Price: 98 and interest, yielding 5.18%

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Wood, Gundy & Company
Limited

Trust and Loan Co.

Trust and Loan Co. of Canada's revenue for the year ended March 31, 1937, was £243,749 as against £209,415 in the previous year.

Interest in Canada taken into account amounted to £180,909 of which £128,324 was transferred to reserve in respect to overdue interest. This transfer is offset to some extent by a transfer of interest from reserve of £53,862.

After debenture interest and other expenses net profit amounted to £11,675, of which £10,000 was transferred to contingencies account.

Balance Sheet Changes

The balance sheet shows changes in position resulting from the voluntary debt adjustment scheme in Saskatchewan to which the company was a party. Mortgages held are shown to have increased $425,000 through the capitalization of interest, to be secured by new mortgage agreements. The total amount of mortgages held now amount to $10,596,039 (£2,177,268).

Interest overdue of $1,398,000 has been written off under the scheme out of reserves already made in respect of the loans affected.

Interest accrued and not due as at March 31 amounted to $266,371 and overdue interest to $1,083,321, making a total of $1,349,693 against which a reserve of $1,004,277 is held.

Share capital of the company as a result of changes made during the year now consists of 1,738,417 shares of 5% non-cumulative fully paid preference stock, par £1 each, and 1,738,417 shares of £1 ordinary stock, which are 2s. 6d. paid. There still remain 27,993 shares of old stock to be exchanged.

Shareholders' Position
Years Ended March 31

	1937	1936
Divids. paid	nil	nil
Net profits	£11,675	£25,901
P. & L. surplus	£2,503	£828

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Investment Notes

Hudson Bay Mining—Henry Krumb, a director, holds 34,015 shares.

* * *

Pioneer Gold Mines of B. C.—Last October, Dr. Robert B. Boucher, a director, decreased his holdings from 64,633 shares to 59,633. Alfred D. Bull, vice-president, is reported to hold 83,735 after disposing of 17,500 by transfer.

* * *

St. Lawrence group—St. Lawrence Paper Mills preferred and the holding company's class A and common stocks appeared to have been run up too fast. They have shown "softness" in the past week, but not appreciably more than the other newsprint stocks.

* * *

Canadian Wallpaper — In the annual report, directors recommended payment of a dividend of $1 a share on July 6, for the year ended April 30, 1937. Shareholders approved of the payment at the recent annual meeting. A dividend is something that most shareholders can accept with enthusiasm.

* * *

Page-Hersey — Declaration of a dividend of $1 a share payable July 1 maintains an annual rate of $4 a share, which started with the payment on April 1. Last year's rate was $3 a share with an extra of 25 cents. The regular rate was maintained at $3 annually from 1933 to 1936.

* * *

Gypsum, Lime & Alabastine—Requisitions signed by 48 shareholders out of a total of about 4,000, and representing 45,661 shares, or approximately 10% of total outstanding, made necessary the calling of a special meeting of shareholders on July 15, according to a letter sent to shareholders by Col. Henry Cockshutt, chairman. Col. Cockshutt also states, "no particulars are given in the requisition as to why the present board should be removed and no indication is given as to who are to replace them."

* * *

Routine reports to the U. S. Securities & Exchange Commission show the following:

Canadian Pacific Railway—Eric A. Leslie, comptroller, holds 50 ordinary shares and he acquired 400 shares of 4% preference stock in April.

Int. Paper and Power—Richard J. Cullen, president of the company, acquired 400 more shares of 7% preferred stock in April, raising his total holdings to 2,300 shares.

Dome Mines — Alexander Fasken, secretary, increased his holdings from 1,358 to 1,458 shares in April. And George C. Miller, first vice-president, who holds 8,876 shares himself, acquired 100 shares through a holding company.

Walker-G. & W.—H. C. Hatch, chairman, increased his holdings from 17,513 shares to 19,588 shares in April. W. J. Hume, president, increased his holdings from 27,429 to 28,359 shares.

Dominion Stores—Salary of W. Frederick Stewart, vice-president and general manager is reported at $10,000 per annum.

Montreal Tramways—Reports on salaries show that Julian C. Smith, president of the company, was paid $18,000 last year. R. N. Watt, vice-president and managing director, was paid $25,000, and Kenneth B. Thornton, general manager, received $15,750 for his services.

* * *

Corporate Investors—Showing the securities held, if not the quantities, this investment trust's returns are of interest to the investor as indicative of general policy. The trust in the year ended April 30, 1937, disposed of its holding of Hollinger and Wright-Hargreaves gold shares early in the period. It converted Toronto Elevators preferred into common stock and received Lake St. John Power & Paper common through its holdings of bonds. Securities added to the portfolio and those deleted in the year were as follows:

Portfolio Changes During Year

Additions	Deletions
BONDS:	BONDS:
Canada Steamship	City of Montreal
Donnacona Paper	City of Winnipeg
Great Lakes Paper	B. A. Oil
Lake St. John P.&P	Canada Bread
PREFERREDS:	Fraser Companies
Blue Ribbon Corp.	Gen. Steel Wares
Canada Bread	Gypsum, Lime & A.
Canada Cement	Inter City Baking
Canadian Bakeries	McColl-Frontenac
Can. Car & Fdry.	Reliance Grain
Dominion Coal	PREFERREDS:
Dominion Tar	Canadian Cottons
Gen. Steel Wares	Federal Grain
Great Lakes Paper	Langley's Limited
Hamilton Bridge	Niagara Wire Weav.
Holt, Renfrew	G. Tamblyn
Internat. Metal	Toronto Elevators
Internat. Power	Woods Mfg.
Marcus Loew	COMMONS:
Standard Fuels	Canada Vinegars
Stuart Oil Co.	Canadian Cottons
COMMONS:	Dominion Fire Ins.
Bathurst P. & P.	Dominion Glass
Burlington Steel	Dominion Textile
Cockshutt Plow	Hollinger Consol.
Dominion Tar	National Grocers
Donnacona Paper	Penmans Limited
Gen. Steel Wares	Wright-Hargreaves
Gypsum, Lime & A.	
Hamilton Bridge	
Hinde & Dauch	
Holt, Renfrew	
Lake of Woods M.	
Lake St. John P.&P.	
National Steel Car	
Niagara Wire Weav.	
Shawinigan W. & P.	
Sherritt Gordon	
Toronto Elevators	

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Mach. and equip. 8	Pulp and paper 6	Milling 4	Oils 4	Textiles and clothing 10	Food and allied prod. 13	Beverages 7	Bldg. mater. 14	Indust. mines 2	Total industrials 68	Total utilities 19	Total co's. 96
1929-36:*												
High	432.5	113.4	273.4	423.5	113.5	197.8	205.4	281.1	591.3	317.6	166.0	198.3
Low	30.2	3.0	37.7	67.7	30.8	78.8	33.8	44.3	74.9	36.0	36.9	43.3
1937:												
Jan.	156.3	37.2	119.6	229.6	77.3	184.2	141.0	197.0	549.3	222.0	68.5	137.4
Feb.	163.4	36.7	120.7	235.2	78.5	188.2	139.3	203.5	586.7	228.6	73.1	142.4
Mar.	162.3	40.2	127.0	247.7	80.2	190.0	141.8	213.4	616.2	241.7	71.0	147.2
Apr.	157.5	47.1	117.4	230.4	79.9	182.4	133.4	204.6	538.9	224.1	64.1	136.2
May	151.3	38.5	109.4	229.6	77.5	178.5	128.4	188.4	525.8	216.4	63.0	132.2
Weekly Figures, 1937:												
June 3	150.8	39.8	105.0	225.2	77.2	178.1	126.7	187.4	520.3	214.0	63.5	131.3
June 10	152.6	40.1	103.5	223.4	77.9	178.0	131.4	186.0	526.6	214.1	64.2	131.6
June 17	148.0	38.0	105.0	219.5	78.0	178.5	132.6	184.7	503.7	209.1	63.2	129.0
June 24	145.0	37.3	102.1	218.9	77.9	176.0	130.2	179.4	507.0	208.1	62.6	128.3

*High and low for years from 1929 to 1936 inclusive are based on weekly figures compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
June 28	158.36	113.46	150.65
June 26	159.05	116.06	151.46
June 25	[illegible]	[illegible]	[illegible]
June 24	[illegible]	[illegible]	[illegible]
June 23	[illegible]	[illegible]	[illegible]
June 22	[illegible]	[illegible]	[illegible]
Month ago	[illegible]	[illegible]	[illegible]
Year ago	[illegible]	[illegible]	[illegible]
High, 1937	[illegible]	[illegible]	[illegible]
Low, 1937	[illegible]	[illegible]	[illegible]

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
June 28	76.8	102.3	93.8
June 26	76.9	103.3	94.5
June 25	[illegible]	[illegible]	[illegible]
June 24	[illegible]	[illegible]	[illegible]
June 23	[illegible]	[illegible]	[illegible]
June 22	[illegible]	[illegible]	[illegible]
Month ago	[illegible]	[illegible]	[illegible]
Year ago	[illegible]	[illegible]	[illegible]
High, 1937	[illegible]	[illegible]	[illegible]
Low, 1937	[illegible]	[illegible]	[illegible]

The Canadian Newsprint Industry

Copies on Request

Vitally interesting facts, figures and charts pertaining to the Canadian newsprint industry—a comprehensive review of the current newsprint situation and future outlook—are contained in the July issue of our quarterly publication "Investments". A notable feature is a map we have prepared showing the location of 36 principal mills in Eastern Canada; in addition, details of monthly production figures since 1929 are included, directing attention to the fact that newsprint output in May this year was the highest ever to be recorded.

Investors will find this issue of "Investments" extremely interesting and informative—copies furnished on request.

NESBITT, THOMSON & COMPANY
LIMITED
355 St. James Street West, Montreal, P.Q.
Branches in the principal cities of Canada

To the Shareholders

GYPSUM, LIME and ALABASTINE, Canada, Limited

Statements being made now on behalf of Mr. R. E. Haire should be judged by "accuracy" of Mr. Haire's own statement to shareholders in 1930.

In September 1930, when sales of the products of your company were decreasing, when carrying charges due to bond issues totalling $4,000,000 were pyramiding sharply upward, when over-expansion and purchase of new plants and properties at inflated values had increased overhead, and made your company's financial position a precarious one, Mr. R. E. Haire wrote a letter to shareholders.

In this letter he wrote: **"We are making profits sufficient to** cover all carrying charges and to **pay our dividends.** We are now in a very strong financial position through the recent sale of $1,500,000, 5½ per cent bonds, which enables us to pay off our bank loan, made to finance the purchase of the Standard Lime Co., of Quebec, the construction of our new Calgary plant and other expenditures."

THE FACTS WERE DIFFERENT

This was Mr. Haire's statement to shareholders. But how different were the facts.

In the year in which Mr. Haire wrote that the company's profits were sufficient to pay the dividends, a total of $594,303 was paid out to shareholders. **Actually the company earned for dividends only $308,368. It fell approximately $286,000 short of earning its dividend.**

As managing director, Mr. Haire knew, or ought to have known that he was not stating fact in his letter of September, 1930.

RECOMMENDED PURCHASE

In addition to stating that the company was earning its dividend, Mr. Haire, in his letter of September, 1930, added the following comment:

"I trust that none of our shareholders will sell any stock at the prevailing low stock market quotations. On the other hand, anyone having money to invest would be well advised to increase their holdings."

It is a matter of record, as shown by Mr. McCurdy's letter, that Mr. Haire, prior to advising shareholders to buy, had bought so heavily of the company's stock it became necessary for him to borrow from his banker.

We submit that it is the function of the managing director of this company to devote his efforts to the management of the company's affairs and not to speculate in the company's stock.

Shareholders will be entitled to inquire whether or not Mr. Haire's suggestion that they increase their holdings, **after they had been supplied with misleading information** as to the company's earnings, was in the best interests of the shareholders.

They would be well advised to measure the present representations supporting the return of Mr. Haire and a new board of directors with the same yardstick.

* * * * *

Your directors are most anxious that shareholders shall secure all facts relative to the question at issue. In this connection a letter has been prepared and is now available, which sets forth the situation accurately and in detail.

If your shares are not registered in your own name, or if your correct address is not on file in the company's books, you may secure a copy of the letter by writing to the company's head office at Paris, Ontario.

Your directors believe that their success in putting the company back on a sound financial and business-getting basis merits the continuation of your support.

They ask you to show this support by attending the special meeting on July 15 and registering your vote in their favour or by mailing, at once, your properly signed and witnessed proxy.

If your shares are not in your own name, or if they are deposited with your broker, you may secure complete information in regard to registering your vote by writing to the company's head office at Paris, Ontario.

HENRY COCKSHUTT,
Chairman of the Board.

Geo. A. Dobbie J. E. McConnell
C. G. Cockshutt S. G. Dixon, K.C.
J. R. Inksater F. Andrews

DIRECTORS

PROXIES MUST BE FILED AT THE HEAD OFFICE OF THE COMPANY, PARIS, ONTARIO, NOT LATER THAN 3 p.m. TUESDAY, JULY 13.

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For Speed - Simplicity for Perfect Shots

This Summer be sure to take along a CONTAX, the ZEISS IKON, precision-made, quick-firing Candid Camera . . . always ready for fast action, portrait, scenic pictures, etc. . . easy to operate . . . shoots 36 pictures in one load. Remarkably clear enlargements, automatic, range-finder focusing.

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Canadian Distributors
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Prospectus of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.

Canadian Pacific Express Travellers Cheques Are World Currency

Carry them on your next trip and be assured of travel comfort.

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Features in the July issue **THE CANADIAN CHARTERED ACCOUNTANT**

System of accounts for lawyers.
Company legislation in regard to the acquiring of initial capital.
Suggested system of accounting for a social welfare agency.
The accountant and industrial and public relations.
Accounting terminology.

Published monthly, $3.00 per annum. Subscription open to all. Sample copy sent on request. A. H. Carr, Editor, 10 Adelaide Street East, Toronto.

LAKE SULPHITE PULP CO. LTD.

Common Shares No Par Value.

Full particulars and price will be gladly furnished on request.

HANSON BROS, INCORPORATED
Established 1883.
255 St. James St. W. MONTREAL
Ottawa Toronto

Pulpwood Cut Heavy

This year will see the biggest summer cut of pulpwood on record in the Fort William district, according to lakehead timber operators. More than 2,000 men are already at work in the bush and this number will be increased to around 4,000 shortly.

HUDSON BAY MINING AND SMELTING

A new analysis of this Company, which is second in zinc, third in copper among Canadian producers of base metals, is available on request.

Ask for analysis P2.

Greenshields & Co
Members Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes, Montreal
TORONTO OTTAWA QUEBEC SHERBROOKE

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Bond Market

Market Is Favorable To Municipal Issues

New Offerings Sold at Good Prices — Refinancing Plans Watched Closely — Peru to Make Partial Interest Payment

Market interest continues high in all classes of municipal bonds, and solvent municipalities have been able to sell new issues at favorable prices. The largest issue sold in the past week was $209,500 City of Charlottetown 3½ per cent, 15-year, bonds at 96.61.

Meanwhile developments in connection with defaulted municipalities and those in weakened condition are being watched closely. Attention is still focused on the Winnipeg crisis where at time of writing no arrangement had been made for financing the city's current expenditure after the first of the month. Edmonton bondholders, it is understood, have their plan for refinancing that city's debt ready.

In Ontario more refinancing plans are expected in the near future. The department, it is understood, is anxious to clean up the situation as early as possible. At the same time it has declared itself firmly opposed to any withdrawal of supervision from those municipalities in which refinancing plans are adopted.

Peru Will Pay

Of interest to a large number of Canadian investors will be the announcement that Peru is going to resume partial interest payments on its external debt which has been in default since 1931. Dr. Alberto Ulloa, legal adviser to the Peruvian foreign office, has visited the United States and arranged to pay 2,000,000 soles, approximately $500,000 in United States funds, to holders of the oldest unpaid coupons.

Payments will be made through the Peruvian consulate in New York and are expected to start in about a month. Full details of the announcement have not been given but Dr. Ulloa states that the Peruvian government hopes to resume payments so far as economic conditions permit.

* * *

Staveley Bondholders

An anonymous group of bondholders is objecting to the reorganization plan of Staveley Apartments, Toronto, which was adopted on Nov. 30, 1936. This group claims that cash offers were presented which would have given bondholders a better return than under the plan which the bondholders' protective committee advanced. It was the committee's plan which was accepted at the meeting, but it has not yet been put in force.

The objections of the bondholders, who are sending the latest communication, would have more weight if they signed their names to their letter.

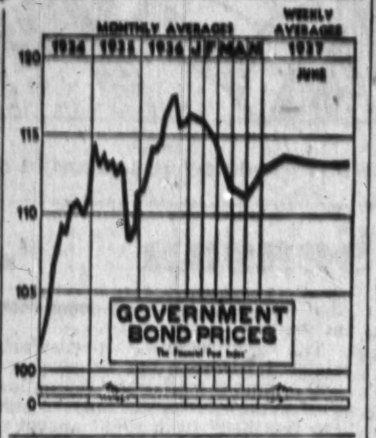
* * *

Bond Accounting

United States laws forbid national banks to show bond holdings on their books above cost. This applies even to government bonds bought at a discount which later appreciate to par.

Another interesting regulation requires a bank to amortize premiums paid for bonds. Although government bonds are exempt from this law, the comptroller of the currency recently announced the Government's intention to enforce the regulation requiring amortization of premiums on bonds against this type of security.

Private investors can find a hint in these regulations which will assist them in their own accounting.



If sound banking practice does not permit taking appreciation in bonds unless the securities are actually sold, private investors might be well advised to follow the same practice.

Similarly an investor buying a government bond at a price above par and planning to hold the security for a considerable period, should set aside a portion of the interest received to write the bonds down to par. If this is not done and the bonds are held to maturity, then the investor will feel that a loss is suffered when he only receives par for his bond which cost him considerably more.

* * *

Steady Markets

A favorable reception is reported for the $1 million York Knitting Mills bond issue. Other corporation issues of an investment character continue to enjoy a good demand at firm prices. More speculative issues fluctuate in close relationship with the stock market and have been weaker in price.

Market for high-grade government bonds continues firm with supply of bonds limited. The trend of high-grade bond prices is shown in The Financial Post index given below:

The Financial Post Index of Average Price and Yield of High Grade Govt. Bonds

1937	Price $	Yield %	1936	Price $	Yield %
June 28	113.76	3.276	June 29	113.73	3.540
June 26	113.73	3.282	June 27	116.42	3.124
June 25	113.73	3.282	June 26	116.42	3.124
June 24	113.73	3.282	June 25	116.44	3.124
June 23	113.70	3.283	June 24	116.36	3.133
June 22	113.74	3.277	June 22	116.30	3.10[illegible]
Year's	116.81	3.026	Year's	117.91	2.966
Range	111.80	3.505	Range	111.30	3.397

Security Offering

Holland Coal Co.

Offering of 100,000 of 6% preference shares of Holland Coal Co., Toronto, has been made by the company. The offering is at $1 a share and the net amount which the company expects to realize from the sale of the stock is $85,000.

Holland Coal Co. was incorporated with an Ontario charter on April 21, 1937. It acquired from Arthur A. Holland equipment, chattels and customers' list, stated to be clear of encumbrance, for 300,000 common shares. The common shares held by Mr. Holland are in escrow till release by the Ontario Securities Commission.

The prospectus states that the proceeds of the offering are to be used to increase the company's working capital.

The company's capitalization is as follows:

Capitalization

	Authorized	To be Outstanding
6% cum. pref. $1 par	$300,000	$100,000
Common, $1 par	700,000	300,004

Officers and directors of the company are as follows: Arthur A. Holland, president and managing director; Harvey Obee, vice-president, N. K. Fligg, secretary-treasurer; L. M. Parker; George H. Gabler; all of Toronto.

Bond Sales

Bridgewater

The Town of Bridgewater, N.S., has sold an issue of $20,000 4% 15-year debentures, date July 1, 1937, at 101.78 to Eastern Securities Co. Bids for the issue were as follows:

	Bids
Eastern Securities Co.	101.78
Johnston & Ward	101.45
T. C. Douglas Ltd.	101.25
Cornell, MacGillivray Ltd.	101.00
Irving, Brennan & Co.	100.82
Acadia Trust Co.	99.00

* * *

Annapolis Royal

The town of Annapolis Royal, N.S., has sold an issue of $12,000 of 4% debentures, dated June 1, 1937, maturing June 1, 1957, to Eastern Securities Co., at 101.78. Bids were as follows:

	Bids
Eastern Securities Co.	101.78
Cornell, MacGillivray Ltd.	101.17
Johnston & Ward	101.03
T. C. Douglas Ltd.	100.69
Irving, Brennan & Co.	100.63
Dominion Securities Corp.	100.26
Nova Scotia Bond Corp.	99.72
Royal Securities Corp.	99.57

* * *

Forest Hill

The village of Forest Hill, Ont., has sold $122,495 of 3¼% 10-, 15- and 20-year serial bonds to Wood, Gundy & Co., at 101.08, a cost basis to the village of 3.35%. Proceeds of the issue will be used for local improvements and a fire hall. Complete list of tenders follows:

	Bids
Wood, Gundy & Co.	101.08
Dominion Securities Corp.	101.077
Dyment, Anderson & Co.	100.307
R. A. Daly & Co.	100.18
Bell, Gouinlock & Co.	100.05
Cochran, Murray & Co.	100.04
J. L. Graham & Co.	100.027
Midland Securities Corp.	99.79
Harrison & Co.	99.61
Bartlett, Cayley & Co.	98.50

* * *

Charlottetown, P.E.I.

The city of Charlottetown has sold $209,500 of 3½% 5-, 10- and 15-year debentures to Bell, Gouinlock & Co., at 96.61. A complete list of tenders on this issue is not available but the following have been announced:

	Bids
Bell, Gouinlock & Co.	96.61
Eastern Securities Co.	95.280
Wood, Gundy & Co.	95.327
Dominion Securities Corp.	96.03
R. A. Daly and syndicate	93.15

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad., $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads. payable in advance.

Cottage For Rent

WELL FURNISHED LAKE FRONT cottage on Boyer's Lake, near Haliburton, available for July. $75.00. Private beach. Two bedrooms, large living room with fireplace, kitchen, cellar, boat. Further particulars apply Mrs. M. J. McHugh, Weston, Ontario. Phone 234, Weston.

Executive Seeks Change

COST AND GENERAL ACCOUNTANT of advanced training and thorough experience in automotive and kindred industries, seeks change of position. Has comprehensive knowledge of modern business methods and a proven record in the reduction of costs and operating losses and the control of factory and commercial expenses. Accustomed to full responsibility and able to render constructive service of considerable scope. Canadian. Moderate salary. Please write Box 62, The Financial Post, Toronto.

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Can Steamships	5%	1943	Aug. 15	105
Metropolitan Bldg.	7%	1944	July 15	103
Can. Cons Rub.	6%	1946	Oct. 1	110
Religious issues:				
Hotel Dieu St-Valier, Chicoutimi	5%	1937	Oct. 1	

Bond Tenders

4 p.m., June 30, Moncton—$52,000, 4% 20-year debentures.

12 noon, June 30, Canada — $25,000,000 treasury bills, dated July 2, 1937, due Oct. 1, 1937. Bank of Canada, Ottawa.

May Limit Rate To Sinking Funds

REGINA, Sask.—Action of Moose Jaw's city council in selling of $80,000 6½% sewage disposal bonds to its sinking fund after asking holders of other city debentures to accept a cut in interest rate to 3% has been stepped on decisively by Saskatchewan's local government board.

Not only has the Moose Jaw council been ordered to reduce the interest rate to the sinking fund to 3% but it is understood that a further order may be issued limiting all civic bonds sold to sinking funds to this rate.

Canadian Int. Trustee Makes Payment July 1

Distribution of 12.5465 cents a share to holders of all modified certificates of Canadian International Trustee Shares and 12.153574 cents a share to holders of all original certificates will be made on July 1, 1937, by General Trust of Canada.

This distribution will be paid on presentation of distribution coupon No. 14. Holders will have the privilege of reinvesting proceeds of their coupons in additional shares at the prevailing offering price less a discount of 5%. This privilege may be exercised on presentation of rights coupon No. 14 from July 2 to 31 inclusive.

Montreal Estimates Surplus at $744,340

MONTREAL.—A net surplus of $744,340 is shown in the amended budget of the city of Montreal for the current fiscal year which has been approved by the executive committee.

Contributing to the increase are new taxes totalling $24,000; revenue surplus from the 1936-37 fiscal year of $258,000; and payments of $1 million from the Montreal Tramways Co.; $75,000 from Montreal, Light, Heat and Power; and $25,000 from the Bell Telephone Co.

Alberta-Moose Jaw Acts Annoy British Investors

Years of close association with Canada and Canadian investments have given The British Empire Trust Co., London, Eng., a good basis from which to judge conditions in this country.

J. Davidson, chairman, speaking to shareholders at the annual meeting of British Empire Trust on June 15, 1937, pointed out that general conditions had improved, but in western Canada the relationships between debtor and creditor gave reason for concern.

Specifically Mr. Davidson deals with the cases of the attempted reduction in interest payments on province of Alberta and city of Moose Jaw bonds.

Protective committees in Canada and London advised holders of Alberta bonds not to sign the forms permitting the province to reduce interest payment on its bonds by more than one half during the entire life of the obligations. The original act proclaiming this reduction was declared ultra vires but further legislation was later introduced with a view to nullifying the adverse ruling of the Alberta supreme court.

"Holders of Alberta securities should resist to the utmost this further attempt to legalize a reduction in interest; they should refuse to sign any assents, and should await any hope for the establishment of a Government in Alberta willing to conform to justice and proper procedure," says Mr. Davidson.

Moose Jaw Interest Reduction

The city of Moose Jaw has issued $583,000 of bonds in Great Britain, bearing interest at 4½% and 5%, according to Mr. Davidson. The city, he says, "recently obtained an order from a local government board reducing for one year the interest on its bonds by 40% with a minimum of 3% per annum."

British security holders were not consulted and were not even aware of the existence of a local government board with such powers, states Mr. Davidson. He adds that no adequate opportunity was given to bondholders to lodge objections to the order and it was due to the activity of private interests that forms were printed and distributed so that British investors could lodge their protests within the allotted time.

"Happenings of this kind are resented by security holders in this country. Debtors cannot be permitted, either directly or indirectly, to impose their views upon bondholders or decide for themselves what they can or will pay. Bonds liable to such treatment cannot be considered as satisfactory, and will not be acceptable investments here so long as there stands between the borrower and the lender an authority empowered to make orders of the kind I have described."

Future Issues

Mr. Davidson suggests some measures which the situations mentioned have made desirable and which would have a considerable effect on future Canadian financing in Great Britain. He says in part as follows:

"It is my considered opinion that no future issues of this character should be permitted in Great Britain, or quoted or dealt in on our stock exchanges, unless all the rights of bondholders and the local laws to which they are subject be fully set out by prospectus. A contract should be entered into with trustees in this country defining clearly the remedies of bondholders in the event of difficulties or defaults, with provision that such contract shall be governed by the laws of Great Britain and not by the laws of the province of the borrower. Among other things it should stipulate that sinking funds shall be administered by independent trustees who will see that they are invested outside the domain of the borrower, and thus have reasonable prospect of being available for the bonds they are designed to protect."

Peace Move Behind King-Hitler Visit

(Continued from page 1)

ing views, because of the differences in the domestic situation of the Dominions. The geographical position of Australia and New Zealand creates, for instance, a graver problem of defense than that of Canada.

"But the defense experts of all the Dominions and of the Mother Country were able to exchange a great deal of information as to what they were doing and planning and the types of equipment they were adopting. As a result, the defense equipment of the various Dominions will be co-ordinated on a practical basis that will commit none of them in advance to joint participation in any armed conflict.

"There were no commitments in any form for armed or economic help in case Great Britain or any other colony became involved in war. That is left for the respective Dominions to vote on when the emergency arises. But in the matter of equipment, in regard to which it is an advantage for similar types to be drawn from common sources, each country will attempt in drawing its separate defense plans to profit from the exchange of ideas and practice.

In Mr. Moore's opinion, one of the least tangible but most important achievements of the conference was the impression of solidarity and loyal support upon visiting diplomats, journalists and others from non-British countries. He had first-hand knowledge, he remarked, that foreign visitors were deeply impressed by the character, loyalty and spontaneous, uncompelled demonstrations of London crowds during the Coronation celebrations.

He added:

"The picture of the Conference, with representatives of the Empire from all corners of the earth sitting down around a family table and agreeing on common policy, captured the incalculable admiration of visitors from abroad. The Empire countries might be scattered and have different problems and encounter disagreements, the foreign observers found, but the family feeling of solidarity and mutual trust was unbroken."

Anglo-American Treaty

The limited scope on the concrete accomplishments of the Conference, particularly in regard to the projected United States-United Kingdom trade treaty, was not due alone to the adamant stand of Australia, Mr. Moore reported. The proposal also crystallized opposition from some quarters in Britain to any tinkering with Empire trade and tariff policies, and to any step that might jeopardize the domestic market of British industry.

Said Mr. Moore:

"When the Conference began, the London newspapers played up heavily the suggestion for a United States-United Kingdom trade treaty, possibly to some extent as the result of official suggestion and propaganda. Also emphasized was Premier King's speech in which he referred to the desirability of economic appeasement as a method of breaking down strong nationalisms and creating channels of trade, so bettering the conditions of people everywhere as to reduce the possibility of war.

"Throughout the Conference, dispatches from the United States stressed the treaty proposal and the popular expectation was that when the Conference ended there would be some definite statement in this regard. When Conference reports were published, the treaty matter was subdued, to the surprise of many people. It vanished from the headlines.

"There is good ground for belief that an attempt was made to include in the Conference pronouncements a more tangible expression of opinion regarding the overtures of the United States. Several drafts of such a declaration of policy were actually made, but Australia would not subscribe to them. The shadow of the past tariff history of the United States had fallen on Australia, as it had on a certain number of the Canadian delegates, on British industry, and to some extent on certain British trade advisers."

One of the points of Australia's objection was that the Commonwealth with a population of less than seven millions, buys more from the United Kingdom than does the United States, with a population of 120 millions. Yet the United States sells more to Great Britain than does Australia. According to Australian data, the United States had the benefit of more than $1 billion worth of trade as the outcome of trade relations with Australia from 1925 to 1935.

The Australians also reported, Mr. Moore continued, that during the past nine months the Commonwealth had to send $20 millions in bullion and specie to the United States.

Mr. Moore reported further:

"Thinking to even things up a bit, Australia suggested to Washington that a lower tariff on Australian wool might be imposed. The United States Government refused. Australia was definitely annoyed, and wondered why, if Washington was so anxious to free world trade channels for the sake of peace, it did not set an example.

"The net result of all this is that Australia is adopting a policy of diverting purchases from the United States to Great Britain. As if the situation were not already aggravated enough, the United States has not only refused to lower tariff walls to help Australia, but has withdrawn its most favored nation rating from Australian goods.

Empire Trade Difficulties

"If under the proposed United States-United Kingdom treaty such Australian produce as dried and canned fruits and butter entered Britain in diminishing volume, Australia would be unable to continue purchases from Great Britain on the scale of its buying in the past. Conceivably Australia would have to raise its own tariffs against British goods.

"As far as the actual negotiations for the treaty are concerned, they are a matter for the U. S. and British Governments alone. But when the tentative basis for such a treaty has been outlined, it then becomes a question for consideration by the various Dominions, and items of quid pro quo have got to be debated between the United States and governments of the Dominions.

"There are many difficulties in this regard. Supposing the U.S. told Canada it would like to get a better lumber market in Great Britain, which would affect Canada, and to make up for it more Canadian cattle would be allowed into the United States. It would be difficult for Ottawa to say to British Columbia: 'It is too bad you are losing out on lumber exports to Great Britain, but think how lovely the compensating advantages are going to be for Alberta or Saskatchewan or the Maritime fishermen.'"

Mr. Moore recalled that opposition was also recorded by the Parliamentary committee of the Empire Industries Association when it met during the Conference. A resolution moved by L. S. Amery declared "emphatic objection to any action which would in any way interfere with the fuller development or even weaken the present effectiveness of the domestic and Imperial tariff system, or which would sacrifice home and Empire production for the sake of some illusory project for revival of economic internationalism."

Industries Opposed

"Various British industries are cagey about the plan," Mr. Moore reported. "The iron and steel industry fears the treaty might be used as means of getting an export market for the United States steel industry, which is producing more than can be consumed domestically. The boot and shoe people note that since 1932 exports of British footwear to the United States have been cut by more than 50%, whereas exports to Great Britain from the U.S. increased so rapidly that the import duties advisory committee has been asked to recommend an increase in the British duty (now 20%). The textile trade has registered no pronounced objection, apparently believing stimulation of international trade would be good for business.

"All these factors are weighing with the British Government. In addition, departmental trade advisers fear that Mr. Cordell Hull's idealism, praiseworthy as it may be, may not be shared by the U.S. Congress. With past history in mind, the advisers are not very keen on the idea of a treaty made under executive powers conferred on the President. They would prefer a treaty passed by Congress.

"With all these things to straighten out, months are going to pass before any treaty will get on paper. It will be the beginning of 1938 before anything tangible arises from the discussions and negotiations."

Mr. Moore said it was difficult to tell how long the armaments business boom would last, because it was impossible to tell just how far the ramifications of the armaments programme have reached into different channels of trade in England. He found that competent observers did not think Great Britain would spend the full amount voted for the five-year programme, because settlement of the European situation one way or the other before five years would make full expenditure unnecessary

Canadian Investments

United Kingdom feeling about Canadian investments has not noticeably improved, Mr. Moore reported, though there was a much better feeling on the part of English business toward Canada as a result of the Dunning trade agreements.

He added:

"They feel Canada has demonstrated her sincerity in the encouragement of British trade, but in the realm of finance, the antics in Alberta, the repudiation of Ontario Hydro contracts, and the defaults of Canadian municipalities on bonds, have had an adverse effect. The railway situation is still regarded by investment counsellors as a deterrent to investment in Canada.

"There is considerable curiosity in regard to Canadian mining fields, but the British investor's first question is still: 'What dividend does the company pay?' He is not interested in speculation but in a steady return on his money."

Queried as to British reaction in regard to Premier Hepburn's policy against the C. I. O., Mr. Moore reported finding considerable interest in the Ontario development in England. Both labor spokesmen and employers appeared to think that the sole issue in Ontario was the right of labor to organize and bargain collectively, and were surprised that this should be questioned at all.

"But," he added, "they commended his stand when it was explained that Mr. Hepburn was not against labor's right to organize but insisted that unions must abide by the law, and was against the C. I. O. because of its ignoring of the law by such demonstrations as sit-down strikes."

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due.	Amount	Price	Yield
Bridgewater, N.S.	June	Eastern Securities	4%	15-yr.	$20,000	101.78	.....
Annapolis Royal, N.S.	June	Eastern Securities	4%	1957	12,000	101.78	.....
Forest Hill Village	June	Wood, Gundy & Co.	3¼%	10 to 10, 15, 20 ins.	122,495	101.08	3.35%
Charlottetown, P.E.I.	June	Bell, Gouinlock & Co.	3½%	5, 10, 15 yr.	209,000	96.61	.....

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
York Knitting Mills	June	Wood, Gundy & Co., Wills, Bickle & Cayley	3½%	Serial	$200,000	....	.....
			4%	Serial	200,000	....	.....
			4½%	1952	600,000	98	.....

Stock Issues—		Offered by	Rate	Due	Amount	Price	Yield
Skylines Express	June	North West Securities	....	Treas.	20,000 shs.	$7.50	.....
Holland Coal Co.	June	Direct	6%	Pref.	100,000 shs.	$1	.....

Canadian Investment Securities

Enquiries invited.

BELL, GOUINLOCK & CO. LIMITED
MONTREAL TORONTO WINNIPEG

ROYAL INSURANCE COMPANY LIMITED

FINANCIAL STATEMENT
31st December, 1936

Net Premiums (Fire, Life, Casualty, Marine, etc.)	$ 70,014,690
Net Interest Earnings	11,598,555
Total Income	$ 81,613,245

ASSETS

Mortgages	$ 14,220,922
Loans	11,841,142
Government, Municipal, Railway & Other Bonds, Debentures, Stocks and Shares	229,243,441
Real Estate	12,251,380
Unpaid Balances and Premiums	13,226,545
Other Assets	2,922,180
Cash in Bank and On Hand	5,159,831
	$288,865,441

LIABILITIES

Capital Paid Up	$ 13,909,825
4% Debenture Stock	2,993,860
Provision for Unpaid Claims	26,877,941
Sundry Liabilities	14,044,365
Reserve for Unearned Premiums, Fire, Accident, etc.	22,040,545
Funds:	
Life and Annuities	143,023,077
Marine, etc.	7,963,011
Net Surplus and Special Reserves	57,890,897
	$288,865,441

£ Sterling taken at $5.00.

R. FORSTER SMITH, Manager for Canada
P. M. MAY, H. CHURCHILL-SMITH } Assistant Managers

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TORONTO, JULY 3, 1937

The Financial Post's Platform for Canada

1. *Balanced budgets.*
2. *Abolish politics in C. N. R.*
3. *Merit system in public service.*
4. *Freer foreign trade through Empire preferences and foreign treaties.*
5. *Stable tariffs for balanced development.*
6. *Stricter laws to protect investors.*
7. *An even break for Canadian national newspapers and periodicals.*
8. *A modernized constitution.*
9. *Integrity in meeting public obligations.*
10. *Wider markets for our farms.*

The Star Drops an Editorial

THE Toronto Daily Star last week quoted, with high approval, some recent statements by Miss Mary Van Kleeck, director of industrial studies of the Russell Sage Foundation, whom it described as "that universally respected woman."

Miss Van Kleeck was quoted as saying:

"When the picket lines form, you can expect the anti-union firm to call in its lawyers and its police. To the former belongs the job of issuing injunctions, to the latter of seeing that arms and munitions of war are adequate.

"Then there will be a few days of peace, while the pickets march. After that the chances are there will be an outbreak of rioting, produced, I'm sorry to say, in the vast majority of instances, by company spies inside the labor ranks, and company-paid deputy sheriffs on the outside. You need only read the evidence before Senator Lafollette's civil liberties committee for details of this tactic. It's a reflection on our industry to realize that out of the hundreds of cases of strike violence investigated by the Senate committee, ONLY THREE HAVE BEEN TRACEABLE TO DATE TO THE STRIKERS. THE REST WERE THE WORK OF THE EMPLOYERS."

Obviously, such a sweeping attack upon employers, coming from a United States social worker, fitted directly into the pattern of the Star's own radical philosophy. But during her stay in Canada, Miss Van Kleeck made a number of other statements. They reflect a certain political viewpoint held by Miss Van Kleeck to which even Star readers might not subscribe.

She urged, for example, a union of all believers in Democracy and all followers of Communism in a fight against the forces of Fascism. She thinks of Fascism as any force that defends private property; the policeman on the street, for example, is a Fascist by her definition.

Throughout the world, she said, there is a universal revolt against property. The union worker is engaged in a gigantic struggle against ownership of property. The C.I.O. and Communism are engaged in a common struggle, a struggle against property.

She viewed sit-down strikes as merely a part of the struggle of the working classes against their masters. Instead of being an act of trespass or illegal seizure the sit-down strike was merely a new picketing technique. The workers' tools today were the production lines of huge factories. Surely no one would deny the worker the right to picket his own tools, which meant that he had to picket the machines instead of merely picketing the building that housed the machines? And more of the same.

This is simply a soap-box rationalization of the doctrines of Karl Marx and Leon Trotsky. It indicates that Miss Van Kleeck is less a student of industrial problems than an outright champion of the proletarian revolution.

Curiously enough, the Star's editorial ran in its noon edition, read chiefly by transients dunking doughnuts in arm-chair restaurants. It did not appear in later editions of the paper, which go into homes—homes that are in the vast majority of cases owned by their occupants. We do not know how often the Star changes its editorials from one edition to another, but we have never previously noted an instance of the practice.

This makes the whole episode a very curious one.

Guiding the Municipalities

THE Ontario Department of Municipal Affairs is proceeding rapidly with plans for re-establishing the defaulted Ontario municipalities. It feels that there has already been too much delay in getting these cities and towns on a paying basis.

Its work with municipalities in actual default, however, is not the only duty of this department. It is also necessary to watch those which are not yet in default but are threatened with trouble. It is understood that this phase of the work is receiving considerable attention and that several municipalities, including some townships and counties, are being closely watched and assisted.

Some municipalities which have been re-established on their own feet or are getting close to that stage have been agitating for removal of the department's supervisors. This is understood to be entirely contrary to policy. The department feels that a municipality that has once got into financial difficulty should be guided until there is no danger of a recurrence of old mistakes.

This particularly applies to watching capital expenditures and control of budgets. A refinancing plan that has been drawn up, based on carefully estimated revenues and expenditures, would be entirely wrecked if the budget was not closely followed. Some of these municipalities probably have ideas about capital improvements which may be thought by them desirable but whch can be postponed. The department of municipal affairs wants to be assured that its work is not wrecked by too ambitious plans. It also feels that the matter of political pressure and expediency can be better handled when the final supervisory authority is outside of the municipality itself.

An Important Appointment

BUSINESSMEN are never quite certain what they ought to expect from the teachers of economics in their universities. In consequence, they are alternately delighted and alarmed by developments in college teaching. They are grateful for the practical training given to many young men in finance, economic theory and business administration. They are alarmed by evidences that some university professors are cynical about business and business men.

Seldom does one find, in the field of economic teaching, a man who is more interested in collating and interpreting the facts as they emerge than he is in attempting to sketch an ideal pattern to which the facts claimed conform. Such a one is Harold A. Innis, who has just been appointed head of the department of economics at the University of Toronto. Under Prof. Innis, who is young and tactful and unopinionated, the university's economics department may be able to assume a position of importance and leadership that it has never enjoyed up to now.

The Newer Arithmetic

THE Edmonton Journal advises G. F. Powell, Major Douglas's expert emissary in Alberta, to read the Bank of Canada report on Alberta's production and income before he draws up a definite scheme for Social Credit dividends.

The Journal shows that the total income of Alberta people is probably around $250 millions, much of which goes to meet the cost of government, to pay interest charges, to buy necessary raw materials and manufactured goods imported from outside, and for many other purposes. To pay $25 monthly dividends would take $140 millions a year and The Journal does not think Alberta has the income to finance them.

The trouble with the Edmonton Journal is that it is not sufficiently trusting. It does not believe in miracles and will not accept the newer arithmetic, which teaches that it is possible to subtract a large sum from nothing and leave a plus figure.

Social Credit dividends in Alberta are as far away today as they were in 1935 when Papa Aberhart promised them to his children within 18 months. We say that despite the presence of Mr. Powell and another "specialized technician" in Social Credit, L. D. Byrne, of Birmingham.

The Financial Post, too, like the Edmonton Journal, is of little faith.

More Wealth to Distribute

AT THE Geneva sessions of the International Labor Conference, A. R. Goldie, Galt manufacturer, opposed the 40-hour week. Workers, he said, must choose between increased incomes and increased leisure.

This is only a half truth that is probably a product of briefing an extensive address for a short cable. Mr. Goldie no doubt said more. During Mr. Goldie's own lifetime, the average working week has dropped from 60 hours to 44-48 hours and yet the real incomes of workers have greatly increased. Labor has had both the increased incomes and the increased leisure referred to by Mr. Goldie. The chief reason why workers have been able to have both is that machinery has taken up so much of the burden of production and of increasing the wealth of the nations.

The kernel of truth in Mr. Goldie's statement lies in the fact that arbitrary reductions in working hours—as opposed to natural reductions over a term of years—are no remedy either for unemployment or for unequal distribution of wealth.

There are a number of notions very popular today.

1. That there is not enough work to go around and therefore shorter hours are needed to distribute the jobs.
2. That machinery creates unemployment.
3. That higher wages and higher surtaxes are needed to redistribute wealth.

The most basic reason for poverty is lack of production. So many people have to do without bare necessities because the world's present machinery of production will not produce enough for distribution.

If the entire national income of the United States, for example, were evenly divided among the entire working population, not more than 30 per cent of the income would be transferred from the upper income group to those in the lower brackets. The additional distributed among wage earners would not suffice to give them the standard of living promised by social reformers.

Moreover, if the entire productive equipment of that country were worked full blast, and if every healthy person were fully occupied in operating that plant on the basis of present hours of labor, production would still fall short of providing the theoretically adequate standard of living for all.

The United States in both instances is cited because in that country competent studies in these fields have been made by organizations such as the National Industrial Conference Board and the Brookings Institution. We have no doubt that similar results would be indicated by a survey of Canadian productive facilities and national wealth.

What is needed is more production to distribute. That must involve the use of more power, more machines and more men working for hours that can be reduced only slowly from present working weeks.

Inventors, engineers, production executives and business administrators who can point the way to such ways and means of increasing and distributing goods, are priceless in any social system.

Editorials in Brief

Newest English newspaper phrase for Sir John Simon, Chancellor of the Exchequer, is "Simple Simon." Simple like a fox.

• • •

Mr. Baldwin advises his former followers "to fight extremes to the death." In other words, to fight extremes to the last extremity.

• • •

Emil Ludwig, who wrote a life of Napoleon "without battles," says he will write a life of Franklin Roosevelt "without taxes." Well, it won't be a life of Roosevelt.

• • •

Unemployed man desires two weeks vacation with pay. Box W1223 Star—*Advertisement in Toronto newspaper.*

Would two weeks work with pay be of any help?

• • •

Two weeks ago The Financial Post referred to Saint John as the "capital of New Brunswick." All letters received from outraged citizens of Fredericton are being handed to the staff writer who made the blunder.

• • •

Toronto Central Labor Club picnic, Riverdale Park, west side, near Pavilion, Saturday, June 26, 3 p.m. Races. Prizes. Everybody welcome. — *Advertisement in Toronto's Communist daily.*

We assume the prizes were divided up equally among everyone and were not awarded, bougeois-fashion, to those who won the races.

• • •

"The railways have had a tough time for the last six years but so have several millions of Canadians. Fortunately, their troubles have been lessening, the prospect now is much better and contains a great deal of hope and encouragement. It is a quite reasonable expectation that the railway situation will cure itself."—*Winnipeg Free Press.*

If the Free Press is attempting to forecast that, without any change in Governmental railway policy, the Canadian National will be able to earn a fair return on all the capital invested in it, then the Free Press deserves to be ranked as Canada's No. 1 optimist.

• • •

Toronto has a tenth fewer policemen per unit of population than it had in 1921. Last year, household burglary and theft insurance rates increased by 30 per cent in that city.

Toronto, as have other cities, has been attempting to control the increase in personnel of its police force by the addition of mechanical aids, such as teletype, radios, automobiles, signal systems, etc. But, as the city's bureau of municipal research points out, "there is a limit beyond which an increase in personnel cannot be avoided and is not desirable from the standpoint of the protection of society from predatory interests."

• • •

Is a governmental leader ever justified in telling a lie? We leave the question unanswered.

Every finance minister has to keep secrets about impending tariff and tax changes. Sometimes he is asked an embarrassing question outright. If he declines to answer that in itself may, under certain circumstances, give away the secret. What is he to do?

Sir Josiah Stamp, one of Britain's great authorities on taxation, said in giving evidence in a New York court the other day:

"In taxation, like the gold standard, you have to say 'no' up to midnight, when you say 'yes'."

• • •

"The leaders in Canadian public life are ageing. It is inescapable that they must be replaced. And it is a good speculative subject to dwell upon. But we do not agree for a moment with the inference of The Financial Post writer that the great Conservative party of this country is due for extinction. Possibly the 'cold shades of Opposition' await the party for some years, but extinction never. The party has certain principles which can never die."—*St. Catharines Standard.*

The Financial Post did not say that the Conservative party was due for extinction. It said it was headed for oblivion unless it met its present crisis. We have little doubt the party will meet the challenge.

Sayings of the Week

"One can wield more influence by friendship than by hate."—*Sir Philip Gibbs.*

• • •

"There is such a thing as being overeducated for the task on hand."—*Sir Josiah Stamp.*

• • •

"One thing the Englishmen haven't lost is the art of entertaining."—*Premier A. A. Dysart.*

• • •

"Many experts think they know so much that you can't work with them."—*Premier Aberhart.*

• • •

"Development of our business machine is far ahead of the development of our human machine."—*Roger Babson.*

• • •

"Anyone who imagines that Fascism could not come in the United States is living in a fool's paradise."—*Harry Elmer Barnes.*

• • •

"The people of England are still hopeful that the Dominion will not permit any serious defaults by Canadian municipalities."—*Sir John Aird.*

• • •

"Brotherhood of man is often denied and derided but it is in fact one of the foolish things which God has chosen to confound the wise."—*Rt. Hon. Stanley Baldwin.*

• • •

"Canada has travelled a great distance along the road of economic improvement and may safely be said to be approaching the desired goal of prosperity."—*S. H. Logan.*

• • •

"The foreign policy of Canada as it works today is contingent on a continuation of existing international conditions—a precarious peace and a threatening war. The government marks time and hopes that nothing is going to happen."—*John W. Dafoe.*

THE BOY STOOD ON THE BURNING DECK

—Cartoon by Grassick.

The Silly Season . . .

By R. J. DEACHMAN, M.P.

The sun shines, the sky is bright, the grass is green, with nature in her sweetest mood. There is a chance to spend some time in the open air, to throw back one's head, to drink in the joy of living. It was a day like this of which one of our lady poets wrote,

"I hold my hands up to the sky
And let the day run through my fingers."

Sometimes I think that every prospect pleases and only man is vile. That is too harsh a judgment. It would be nearer the truth to state that everyone feels particularly happy and feeling happy tries to escape from realities and lets not only the day but idle words and thoughts slip from him in an ecstasy of pure delight.

Make it Confusing

Mr. Aberhart has been speaking again. He believes that the more he says the more people will forget—and the more they forget the closer will they remain to Mr. Aberhart. If you are doubtful about any issue make it confusing—if you would confound it a thousand times, make long speeches about it and come out by the same door by which you entered in—then there is hope for you. If you are sufficiently blind the blind will follow—you start in that way, with, at least, some votes in the bag.

The gentleman is particularly alarmed for fear the people meet and discuss the affairs of the nation. The divine words: "Come let us reason together," have slight appeal to the leader of Social Credit. Speaking at Edmonton lately he said: "In days of storm and stress people should be careful to whom they talk"—and he warned his friends of the danger of mental suggestions. "Birds of a feather flock together—be careful of some birds,"—he added!

Sources of Wealth

Now this is an extremely dangerous doctrine. Of what value is education if the people of the Province of Alberta are not capable of using the scales and balances of reason, on the argument of the gentlemen to whom they talk. The sun shines this bright summer day it lets in the light and the light gives strength to the plants and makes them grow. In precisely the same way the light of knowledge strengthened by freedom of discussion makes progress possible. If the people of Alberta think and reason, and they must do so, then they will realize:

1. That wealth comes from production.
2. That wealth is increased by exchange.
3. That money and credit are merely instruments facilitating the production and exchange of goods.
4. That credit is something to be earned—not something merely to be distributed.

Credit in the Desert

Even Mr. Aberhart is beginning to find this out! In a flashing sentence the other day he said: "You cannot put Social Credit into effect in a desert." In other words he admitted that in the Province of Alberta there must first be production before there can be purchasing power and in that little sentence he destroyed the whole basis of Social Credit. A short time ago he told the world that money and credit were twin creations of one fountain pen. Mr. Aberhart has a fountain pen—if he hasn't I will make him a present of one—now let him find his desert and create credit out of drifting sand—and here is the strangest thing of all, miracle of miracles, he can do it if he only has a market for the sand. Alberta needs markets—not fountain pens, not Social Credit, not credit of any kind—just markets—when there is production and markets there is credit; without these, carloads of fountain pens and barrels of ink controlled by an army of Douglases will not add one dollar to the nation's store of credit.

New Books

Songs of Canada

ROMANCERO DU CANADA. By Marius Barbeau. Published by the Macmillan Co. of Canada, Toronto. Price $2.75

Dr. Barbeau, who is an indefatigable recorder of the folk-lore of French Canada, has here gathered together in one volume 50 of the most typical songs of Quebec. They have been selected from the collection of the National Museum of Canada which already numbers 7,000 texts and 4,000 tunes, most of which have been recorded for the phonograph.

With each of the songs—of which both the air and the words are given—are extended notes on its history and some comments upon the musical form displayed.

The volume is entirely in French.

The Business Cycle

PROSPERITY AND DEPRESSION. By Gottfried von Habezler. Published by the League of Nations, information section, Geneva. Price $2.

This book, written by an economist of international reputation, deals with one of the most important technical problems in the whole economic fields—that of business cycles and the recurrence of periods of prosperity and depression.

The book is the first stage in an enquiry by the Economic Intelligence Service of the League into this problem. Its objects are to analyze existing theories of the business cycle. The analysis of these theories shows that a much greater harmony on certain important points between writers of different schools of thought exists than the superficial observer might believe. Having thus cleared the ground, the author is in a position to attempt a synthesis and development of the existing theories.

The next stage in the investigation of the Economic Intelligence Service will be the application as far as possible of quantitative tests to the various hypotheses and explanations which have been put forward.

Despite the difficulties of the subject, the book will prove of interest even for those who are not familiar with the general literature of the subject.

THE DAIRY INDUSTRY IN CANADA, by J. A. Ruddick, R. E. English, W. M. Drummond, J. E. Lattimer, and edited by H. A. Innis. Published by the Ryerson Press, price $2.75.

This is the second volume in a series dealing with the relations of Canada and the United States, being based on studies prepared under the direction of the Carnegie Endowment for International Peace.

The volume has been arranged under the following four main divisions:

1. Background of the industry in relation to world trade in general and trade with the United States in particular.
2. General survey as seen through the eyes of one who has been directly concerned with each development.
3. General problems of specific regions.
4. Effects of tariff policy.

Dr. J. A. Ruddick was dairy commissioner for Canada from 1905 until 1932. During this period he visited New Zealand where he was able to study at first hand and to lend assistance in the rapid development of the dairy industry in that country. Prof. W. M. Drummond, of the University of Toronto, has been directly interested, through practical experience and in teaching economics of agriculture in the problems of the industry. R. E. English has been interested in research and in practical work in the agricultural developments of Alberta and British Columbia, while Professor J. E. Lattimer is already widely known for his research and writing in the field of agricultural economics. Dr. Harold A. Innis is Professor of Political Economy at the University of Toronto and is editor in Canada of this economic series which is being prepared under the general direction of Professor James T. Shotwell, Director of Economics and History of the Carnegie Endowment for International Peace.

The dairy industry in Canada has occupied an interstitial position in the relations of Canada to Great Britain and the United States. Rapid expansion in exports of cheese and livestock was followed by rapid decline with the opening at the West, the industrial growth of the East, and the marked increase in domestic demands.

Protection in Canada has followed tariffs imposed by the United States. An American tariff against New Zealand butter was inevitably followed by a tariff in Canada to prevent importations of butter excluded from the United States. Dr. Innis comes to the conclusion that the widely scattered marginal character of the butter industry in Canada has given it an influential political position which has been reflected in the high tariff on New Zealand butter. He does not, however, see any solution for present-day problems in the protective policy that Canada has adopted. "Protection in one phase of the industry encourages production and increases pressure in more sheltered phases," he says. "Results have been evident not only in the demand for bonusing of the export sections of the industry but also in the acute controversies in the Fraser River Valley." However, Dr. Innis hopes that the recent trade agreement with the United States indicates release from this recent "tightening process."

All phases of the Canadian dairy industry are traced, including the somewhat little known specialized branches such as the by-product industries which are playing an increasingly important part. Statistics are given showing production of various branches of dairying in all of the provinces of Canada and exports and imports from the earliest days until the present time.

Keeping the Peace

THE SETTLEMENT OF CANADIAN-AMERICAN DISPUTES. By P. E. Corbett. Published by the Ryerson Press, Toronto. Price $2.75.

It was inevitable that, in the series of volumes on the relations of Canada and the United States being published under the direction of the Carnegie Endowment for International Peace, there should be one on the means adopted by these two countries to settle their disputes. The manner in which the two nations have kept the peace and avoided recourse to war when commercial or political disputes rose between them is indeed a model to the world.

Dean Corbett of McGill law school, who has written this critical study of the methods and results, thinks that perhaps the two countries have been more than lucky. Geography and common commercial aims have contributed as much to the successful record as have ties of blood and identity of judicial traditions.

Mr. Corbett has put on the record a summary of every dispute between the two countries, including such famed sources of annoyance as the Ashburton-Webster treaty and the Alaskan Boundary award. Incidentally, viewing these two matters in historical light, he does not think that either was as iniquitous as Canadian ill-temper at the times suggested.

In connection with the recent "I'm Alone" arbitration, he points to the anomaly of the situation Canada found itself in, of protecting persons who had set out to make profit by the systematic violation of the laws of a friendly neighboring country. He thinks that the withdrawal of national protection in such cases would be a long step toward the achievement of a real international community.

Comparatively little attention is given to the International Joint Commission although the author seems to regard it as an excellent technical committee in certain types of cases. He feels that the arbitration machinery between the United States and Canada is incomplete and that a permanent court of general jurisdiction, manned with competent and independent judges, should be set up in order that it will always be ready to handle Canadian-American disputes. This would, he thinks, avoid the dangers of ad hoc tribunals and of the appointment of arbiters already committed in advance to one side or other of a particular case.

Other People's Views . . . .

The Bonds of Empire
New York Herald-Tribune

The Imperial Conference, which has just come to a close in London, apparently reached no new and startling conclusions. But this in no way detracts from its significance. The outstanding fact is that the members of the British Commonwealth of Nations met as equals, rather than as dominions conferring with the mother country This represents another step in the evolution of a relationship which is new in political history, an association of completely autonomous nations with divergent interests bound together only by ties of loyalty and tradition. It is not so long since London had a large measure of control over affairs in Australia or South Africa. Today this control is virtually non-existent, and, in contrast, the dominions can act as a brake on British policy.

It is interesting to note that even in matters of defense the dominions insisted on the formal reservation that they should still have the "sole responsibility" of deciding their own policies. To this extent has the determination to be completely independent—at least in form—gone. All formal ties have been loosed. Obviously, only the deep devotion of the peoples of the dominions to their race and country of origin holds them together. It is paradoxical that the looser the bonds of union between the dominions and Great Britain have become the stronger has become the solidarity of the commonwealths. This defies logic and reason. It could not have happened in ancient Rome. The fact that it can happen, and has happened, in modern Britain is the best surety that there is still great vitality in the empire.

Folks in Finance

Memorized and Remembered

A SUBJECT for psychologists to look into is the value of the long lists of names of places and of historical dates memorized by children at school.

The other day we were with a group when someone asked the name of the county town of a certain Ontario county. There was a long silence. Several pairs of lips were seen moving quickly. Then the name came out abruptly from three or four people at once. It was obvious what had happened. Each one in the group was running over the list of counties and county towns he had been forced to memorize at school many years ago.

At a recent gathering, Prof. James T. Shotwell, the eminent director of the division of economics and history of the Carnegie Endowment, was recalling his school days in Strathroy, Ontario, when he connived at much youthful mischief with the late Sir Arthur Currie. It was in 1885 that he had to learn the names of the 15 largest United States cities in the order of their size. Prof. Shotwell wondered if he could not still remember the list. He essayed to repeat it. He stumbled at one point but went back for a fresh start and ran through the names with the speed of a machine gun, and without error.

It is doubtful if he could give the 15 largest American cities of today in the right order but, for whatever the information is worth, he can tell you what they were 52 years ago.

Profane Silence

DOCTOR Henry Noble MacCracken, president of Vassar College, told a story about Andrew Carnegie at Queens University the other day.

Dr. MacCracken, Mr. Carnegie and an Anglican bishop were playing a game of golf at Skibo Castle one day when the bishop made an infuriatingly inadequate drive. His ball landed in a patch of thistle to the right of the tee. He stood there with his lips firmly clenched, many suitable expletives rushing to the tip of tongue but all repressed as he remembered the obligations imposed upon him by his calling.

Mr. Carnegie watched him for a moment and said:

"My lord bishop, there are some silences that are more profane than language."

As Others See Us . . . .

Dictatorship
St. Catharines Standard

Can anyone be regarded as a great statesman who exists in his high place because of the ignorance of the people whom he governs? This, in effect, is the query of The Financial Post this week, in regard to Mussolini and it submits recent instructions to the Italian press as issued by Il Duce.

The amazing part of all this is how these instructions have been given out to the public of the world. Behind the scene, there are some people in Italy not in accord with the rule of Fascism, and Mussolini would spend a pretty penny to find out who.

The system may well regiment the physical actions of a nation, but it will never regiment the thoughts of the people. We see that in Germany, where there is a drive against the Roman Catholics. And it is an accepted principle even in our own democracy that you can't indict a person for what he thinks, but we do believe in letting everyone think as they like, and express it if they care to do so.

But expression in Italy and Germany is limited quite to the express orders of the Government.

On Guard Nova Scotia
Halifax Herald

The current issue of The Financial Post contains an Ottawa dispatch opening with this paragraph:

"Determination of the coal distributing interests of Eastern Canada to have the duties of 50 to 75 cents per ton respectively on American anthracite and bituminous coal removed at the coming session of Parliament is indicated . . . ."

That is a matter of the most vital concern to every man, woman and child in this Province—to the mineworkers and their families directly, and to every Nova Scotian indirectly, because it affects Nova Scotia's greatest industrial activity.

Complete removal of Canadian coal duties, or any considerable reduction of those duties, would bring disaster to the coal industry of this Province.

The coal industry of this Province was on the brink of disaster when the Bennett Government came into office at Ottawa in 1930. But on the strong representations of the Harrington Government, led by Hon. G. S. Harrington, who was then Minister of Mines, the Bennett Government not only raised the Canadian coal duties to the highest point in history, but added generous enlargement and extension of freight rates subventions on coal.

With the result that the coal industry of this Province was saved from bankruptcy and ruin.

Stop Me If You've Heard This One . .

The landlady of a popular boarding house in the mountains made a point of asking her departing guests to write something in her visitor's book. She was very proud of some of the names of the people inscribed in it, and of the nice things that they wrote.

"But there is one thing I can't understand," she confided to a friend, "and that is what a sour-looking man put in the book after stopping here. People always smile when they read it."

"What was it?" queried the other.

The landlady replied: "He wrote only the words 'Quoth the Raven.'"

Week in Business

New Money Flow Starts From Crops, Tourists

Better Harvests and Record Tourist Traffic Expected to Lift Canadian Business Out of Routine — Lumber Sales Lag

Good crops and a heavy tourist traffic are expected to lift Canadian business out of the dull routine of the last few months. New money from these sources is already beginning to flow.

Unfortunately the wheat harvest throughout the Prairie Provinces cannot now develop into anything like maximum proportions. But total yield is expected to exceed last year's slim return by a considerable margin. It will also be much more widely distributed and worth probably 15 to 25% more in price.

In eastern Canada crop prospects are the best in the last 10 years, which is in decided contrast to the drought-stricken outlook over a large part of this section of the Dominion last year.

Tourist prospects are conceded easily the best since 1929. Already with the main season only opening this week-end, summer resorts report many full bookings. June estimates of rail travel and entries of foreign-owned cars are high.

While strike troubles in the United States have adversely affected recovery there, earnings of the average American in the last year have been at the best level in the last decade.

Nationally, Canadian business continues uneven at the beginning of July. The central and industrial provinces of Ontario and Quebec are inclined to lag from the sharp recovery pace of a year ago. Momentum in the Maritimes, however, has been fully maintained with the general average of business now equal to 1929. There has also been some gain in the Prairie Provinces, though the general level there is still below normal. Until May rapid recovery continued in British Columbia, but recent sharp curtailment in lumber exports has checked the pace.

• • • •

Rise in lumber prices, which, along with sharply higher labor costs, has undoubtedly been responsible for hampering residential construction, appears to have reached the crest. The usually corrective decline is expected, provided normal conditions prevail for the next six months. With main United States quotas filled, Canadian exporters have been experiencing increasing difficulty in convincing United Kingdom buyers that present prices are favorable. In the meantime domestic stocks have had a needed chance to accumulate, and Canadian builders should now experience no difficulty in securing supplies. The piling up of export supplies in British Columbia, however, may not prove as beneficial.

Business Indicators

Bank debits—May shrinkage attributed to lack of stock market speculation, not business. Cumulative figures to date substantially above year ago.

Railroad statistics continue strongly favorable. Some seasonal drop from in May of C. N. R. net earnings but far ahead of same month a year ago and cumulative to date more than double same period in 1936. Carloadings and gross earnings both railroads for third week in June continue steady gains. Cumulative loadings for first 25 weeks of 1937 up over 10%.

Automobile production has now more than regained ground lost in April strikes. Total for five months better than year ago and sales maintained.

Steel production for May verifies predictions of very substantial expansion in this industry. Output first five months 25% in excess of last year.

Electric power output, one of best barometers of general industry, continued in May to register improvement which has been continuous for three years.

Lumber exports in May and cumulative to end of that month show moderate gain over year ago, but June figures, it is understood, not so favorable.

Current trend in Canadian business is shown by The Financial Post's index of business activity, with new figures for the week marked•.

	Latest 1937	Latest 1936	Jan. 1 to date 1937	Jan. 1 to date 1936
Transportation—				
Car loadings (June 19)	•49,044	45,740	1,139,208	1,033,177
C.N.R. gross earn. (June 21)	$ •3,736,980	$ 3,432,702	$ 89,940,428	$ 80,875,707
C.P.R. gross earn. (June 21)	$ •2,604,000	$ 2,493,000	$ 63,102,000	$ 58,441,000
Business Conditions—				
Weekly index D.B.S. (June 19)	•108.8	106.1	......	......
MONTHLY DATA				
Business Conditions—				
Financial Post index (May)	120.2	108.2	......	......
Transportation—				
C.P.R. net revenue (Apr.)	$ 1,848,410	$ 1,337,457	$ 5,490,823	$ 4,165,161
C.N.R. net revenue (May)	$ •1,666,250	$ 933,551	$ 6,232,760	$ 2,465,596
Iron and Steel (May)—				
Pig iron production (tons)	•78,147	58,833	345,666	283,973
Steel ingots and castings prod. (tons)	•120,843	94,602	594,433	496,504
Automobiles (Number)—				
Passenger Cars:				
Domestic sales* (Apr.)	16,070	17,380	46,771	35,928
Factory output (May)	•17,980	16,389	79,644	73,236
Trucks and Buses:				
Domestic sales *(Apr.)	3,839	3,465	10,505	7,702
Factory output (May)	•5,478	3,617	25,066	16,310
Exports (May)	•5,075	5,246	27,678	27,804
Construction—				
Building permits (May)	$ 5,399,489	$ 4,836,358	$ 21,967,654	$ 13,666,195
Contracts awarded (May)	$ 24,170,500	$ 14,962,800	$ 80,006,200	$ 56,905,100
Newsprint (tons)—				
Production (May)	309,232	267,067	1,471,912	1,219,212
Exports, tons (May)	•294,725	258,288	1,324,937	1,076,706
Sugar (lb.)—				
Melting & sales§ (raw)	91,836,204	92,560,733	219,613,790	207,081,288
Manufactured§	87,559,375	86,330,367	209,735,216	199,940,805
Flour (bbls.)—				
Production (Apr.)	1,051,564	1,009,464	4,158,432	4,182,210
Wheat flour exports (May)	348,866	448,653	1,628,712	1,861,001
Trade—				
Retail trade (index no. of sales) (April)	78.3	70.3	......	......
Imports (April)	$ 56,891,072	$ 42,217,004	$ 228,444,561	$ 177,085,771
Exports (April)	$ 66,907,258	$ 57,964,176	$ 315,273,497	$ 260,066,149
Wheat exports (bus.) (May)	8,026,507	27,316,983	31,543,967	68,834,021
Employment D.B.S. Index (June 1)—				
All industries	•114.3	102.0	......	......
Manufacturing	•117.9	103.4	......	......
Electric Power Output (May)—				
Total monthly m.k.h.†	•2,301,167	2,083,363	11,500,794	10,413,106
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (May)	152,756	136,894	680,443	554,496
Boot & shoe prod., pr. (Apr.)	2,219,297	2,065,587	8,017,936	7,525,364
Crude petrol, imp. gal. (Apr.)	56,307,660	54,142,896	213,649,975	220,312,360
Cotton imports, lb. (Mar.)	15,462,512	13,558,113	42,770,417	45,221,720
Raw rubber imp., lb. (Apr.)	3,009,070	2,416,012	15,363,473	14,062,625
Coal imports, tons (Apr.)	916,062	491,146	2,600,538	1,980,926
Cigarette cons. (May) No.†	575,520	500,069	2,427,117	1,966,407
Finance—				
Bank debits (May)†	$ •2,762,673	$ 2,978,916	$ 15,294,000	$ 14,111,000
Bond sales (May)	$ 150,107,054	$ 50,493,782	$ 594,580,785	$ 566,454,287
Life insurance (May)	$ •31,856,000	$ 28,411,000	$ 155,078,000	$ 150,020,000
Automobile Financing (Apr.)—				
Used cars	$ 4,035,932	$ 3,897,812	$ 9,724,776	$ 8,644,963
New cars	$ 5,006,159	$ 4,267,363	$ 12,009,391	$ 8,615,890

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to May 22.

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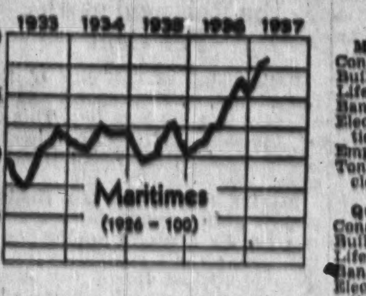
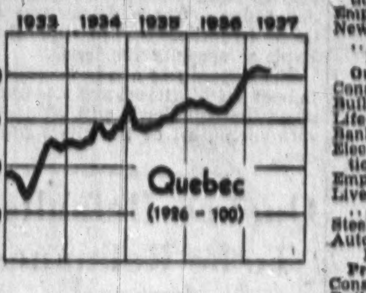
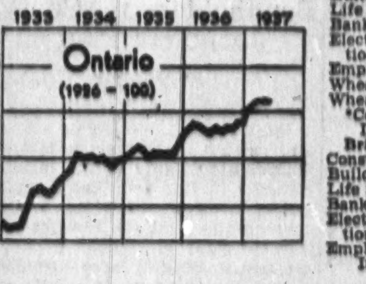
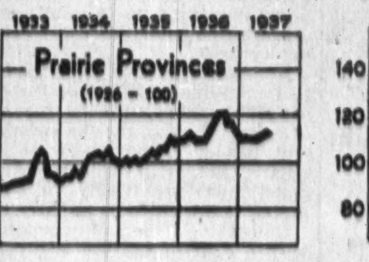
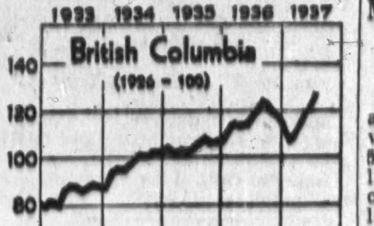
Business Activity Lags In Central Provinces











TREND OF BUSINESS

	May, 1937	Inc. or Dec. May, 1937-1936
Maritimes:		
Construction contracts $	4,689,000	+52.1
Building permits ..... $	350,000	+73.9
Life insur. sales .. $ 000	2,125	+22.5
Bank debits .. $ 000,000	53.1	+14.1
Electric power production .... kw.h. 000	1,835	—0.1
Employment 1926=100	122.0	+16.0
Tonnage of vessels cleared	369,023	+14.8
Index	134.6	+20.9
Quebec:		
Construction contracts $	6,178,000	+170.0
Building permits ..... $	1,143,000	+18.1
Life insur. sales .. $ 000	9,063	+16.6
Bank debits .. $ 000,000	894	+0.9
Electric power production .... kw.h. 000	37,572	+10.9
Employment . 1926=100	113.6	+18.8
Newsprint production, tons	309,232	+15.8
Index	144.4	+12.7
Ontario:		
Construction contracts $	9,963,000	+62.2
Building permits ..... $	2,544,000	+18.8
Life insur. sales .. $ 000	13,706	+9.7
Bank debits .. $ 000,000	1,215	—6.9
Electric power production .... kw.h. 000	24,011	+10.6
Employment . 1926=100	118.8	+13.5
Livestock slaughterings 1926=100	140.8	+12.7
Steel production .. tons	120,843	+27.7
Auto. production .. No.	23,458	+17.3
Index	125.6	+12.6
Prairie Provinces:		
Construction contracts $	1,700,000	—41.3
Building permits ..... $	706,000	+31.6
Life insur. sales .. $ 000	3,973	+0.6
Bank debits .. $ 000,000	432	—23.8
Electric power production .... kw.h. 000	4,731	+13.3
Employment . 1926=100	99.3	+1.6
Wheat receipts .. bush.	4,159,000	—24.5
Wheat prices*	130/5	+70.2
*Cents and eighths of a cent per bush.		
Index	115.1	+3.2
British Columbia:		
Construction contracts $	1,422,000	+245.4
Building permits ..... $	654,000	+17.9
Life insur. sales .. $ 000	2,563	+13.6
Bank debits .. $ 000,000	169.4	+3.4
Electric power production .... kw.h. 000	4,863	+7.3
Employment . 1926=100	112.2	+9.6
Index	123.5	+8.5

May business statistics verify The Financial Post previous prediction of slackening of general activity in central Canada in recent weeks. Index in both Quebec and Ontario shows slight tapering due to the normal lag in routine business at this period of the year coupled with weather rather cool for maximum sales of most summer lines.

Unfavorable western crop prospects have retarded the expected recovery in the Prairie Provinces, though there has been some improvement from the abnormally low levels of business in that area. Bright spots in the general early summer picture have been a sharp gain in employment, continued improvement in foreign trade and the best level of business activity in British Columbia and the Maritime Provinces since 1930.

Logging Lags In B.C. Camps

Glut Following U.S. Quota — High Freights Hamper

From Our Own Correspondent

VANCOUVER. — British Columbia's logging industry will slacken its pace during midsummer with most of the major camps shutting down at least until August.

Midsummer closing of logging camps is usually dictated by weather conditions and a high fire hazard, but rains have minimized that factor so far. Primary reason for the shutdown, involving more than thirty operations and more than 10,000 loggers, is the unsettled state of the market.

Glut of Logs

There has been a glut of cedar logs since the quota of exports to the United States, biggest market of all, has been practically filled. Heavy previous buying, higher world lumber prices, and soaring freight rates, have led to an interruption in buying orders from the United Kingdom.

Shipping conditions have been a potent factor in the present uncertainty. Ocean freight rates have risen 100 per cent in recent months. There is at present a decided shortage of tramp shipping for the transportation of lumber. Six months ago shippers could pick and choose. Now, with the big change in world conditions that has occurred lately, steamers that were idle in the United Kingdom have, almost overnight, become four times more valuable than they were a year ago.

May Newsprint Exports Maintained at High Level

From Our Own Correspondent

MONTREAL. — Exports of Canadian newsprint paper last month were at a high level, amounting to 5.9 million cwt., valued at $10.7 millions. This contrasts with shipments of five million cwt., worth $9.2 millions in the previous month and 5.1 million cwt. at $8.9 millions a year ago.

Following is the distribution of the exports for May:

	Quantity in cwt.
United States	5,043,390
United Kingdom	343,202
Australia	127,982
Mexico	54,434
Argentina	46,159
Brit. South Africa	45,680
Japan	43,902
Cuba	36,634
Irish Free State	24,506
New Zealand	22,481
Chile	11,067

Motor Sales Regain Ground

Ground lost in retail sales of motor cars in Canada during strike-troubled April was partially regained in May. Close to 22,000 sales were reported which was the high point of the year. The gain over May, 1936, was 12%, but if the two months, April and May of this year were combined the gain over the same period a year ago would have been 4%.

Accumulated figures for the first five months of this year, however, show a gain of approximately 25% both in number and in volume in comparison with the first five months of 1936. Total sales amounted to just under 79,000 new motor vehicles worth approximately $80 millions.

Commodities

Apart from pronounced strength in wheat and hog prices, commodity levels in Canada continue on an even keel. Commodities subject to external price influences are somewhat firmer in tone, however, and of these cotton is currently showing higher tendencies, due to weather factors, a more advanced growing season on which to base crop estimates, and further alleviation of fears concerning the price of gold as a result of indications pointing to large British purchases of the metal during the next few weeks.

An improved statistical position in rubber is encouraging to traders in that commodity but the undertone of the rubber market has not been reflected in any improvement in quotations to date. Sugar prices are generally unchanged with trade prospects confused and the price structure less stabilized.

Comparative prices follow:

PRICE RANGE

	Latest week	Previous week	Same week last yr.
Cattle	$9.75	$10.00	$6.25
Hogs	10.15	9.75	9.75
Copper, lb.	.14	.14	.09¼
Cotton, lb.	.1274	.1256	.1243
Rubber, lb.	.1956	.1960	.16
Sugar, raw, lb.	.0345	.0345	.0376
Silk, lb.	1.89½	1.88	1.67
Wheat Man. (bu.)	1.31¼	1.25¼	.81¾
Coffee, lb.	.09⅝	.09⅝	.07⅛
Hides	.15½	.14½	.11
Weekly Indices			
N. Y. Annalist	141.9	141.0	122.5
Fishers'	91.9	92.0	82.5
N. Y. Journal of Comm.	89.9	89.5	80.4
Crumps (Brit.)	82.3	83.0	65.2
U. S. Labor	86.7	87.1	78.7
Canada (D.B.S.)	84.2	84.1	72.4

Monthly Indices

	Latest month	Prev. month	Same last year
Canada (D.B.S.)			
Retail (May)	82.8	82.2	80.0
W'sale (May)	85.1	86.1	71.9
United States (Apr.)	144.4	143.5	123.8
Gt. Brit. (Apr.)	106.9	107.3	91.9

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1930 base. U. S. is Annalist 1913 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto; Copper-electrolytic, New York; Silk—Japanese, 13-15 New York; Sugar — 96 degrees centrifugal c/f New York; Wheat — No. 1 Man. North, Ft. W.-Pt. A. Basis; Hides—No. 1 packer light native cows; Hogs—select bacons, Toronto.

Background of Business

Childs to Expand

Childs Co., operator of restaurants in Canada and United States has recently formed a subsidiary for catering to the quick lunch field. The new company is called The Host, Inc. and the first branch of a chain will be established in New York, this fall. Later branches may appear elsewhere in United States and Canada. Prices will be under those of the regular Childs restaurant and while the main objective is the luncheon trade, dinner will be served in some of the locations.

Each new unit will accommodate up to 150 persons. Principal seating will be at the counters. Service will be entirely a la carte. Decoration and interiors and fronts will be modern and in striking colors. The equipment installed in the new units will cost approximately $35,000 as against fully $100,000 more for the full-sized restaurants.

• • •

Refrigerator Air Express

Refrigerated air express space will be available on planes flying between Seattle and Chicago this summer. Two highly perishable and expensive products, cut flowers and oysters are expected to be the principal products carried. Fish already constitutes an important air freight item on Canadian lines, but is usually carried in bulk and during the cold late fall months from northern lakes in western Ontario and the Northwest Territories.

• • •

Stabilized Butter Price

The problem of a fixed price for butter has been solved by Wurtzel and Gordon Inc., Bridgeport, Conn., by the development of a machine which cuts butter according to the current pound price. The result, according to Business Week, is a slab 4¾ inches long, but slimmer or thicker according to the market. The package, of course, can no longer be called a pound but it can always be sold for the same price and thus this highly fluctuating commodity, provided government regulations allow, can be stabilized like many other routine products.

• • •

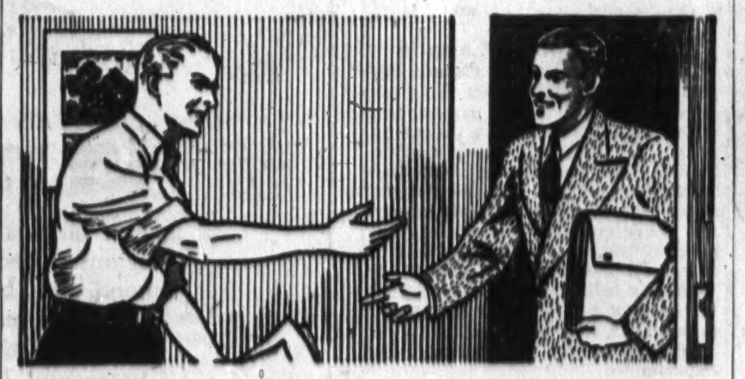
Wages and Recovery

Old beliefs notwithstanding there appears to be no definite connection between the scale of wages and economic recovery. This is the conclusion reached by Harold Butler, director of the International Labor Office at Geneva in the annual report he has submitted to the International Labor Conference this month.

From the earliest days of the industrial revolution, states Mr Butler, wage cutting has been advocated as the classic method for restoring business activity and preventing unemployment.

However, Mr. Butler maintains that the experience gained during the recent depression has done much to dispel the wisdom of such a practice. He points out that France and Czechoslovakia stand out as having remained around or above the 1929 wage level, but the employment record shows a considerable falling away. In Sweden and the United Kingdom on the other hand there was little or no decline in wage rates and yet in both countries employment suffered very little from 1929 and has recently made probably the best recovery. In United States, he argues, when wage rates fell employment fell also, and when wage rates rose employment also rose.

The same thing apparently happened in Germany in the early days of the depression where wages were cut sharply but employment fell also.



In Business you are Courteous—

Try Courtesy on the Highway

WHETHER YOU are a salesman or a customer, a manufacturer or a farmer, you, like most people, think and practise courtesy towards those with whom you do business. You thus lighten the burden of work and add to the pleasure of the days.

But do you carry this same courteous habit of thought and action onto the highways and practise it towards your fellow-motorist when you are driving? Unfortunately many do not! And why? There is no real reason. They just THINK differently towards their associates of the highway than towards their business associates.

I suggest to such drivers that you now resolve to Try Courtesy in your driving. That you refrain from "cutting in" which is one of the greatest hazards of present-day traffic and may put you or the other fellow or both of you in the ditch. Try Courtesy instead. That you drive at the speed of the traffic you are in and never "hold up the parade". That you keep well to the right at all times—there is lots of room. That you never pinch, pocket, or otherwise put your fellow-motorist "on the spot". Try Courtesy instead.

To these suggestions you can add many others if you will just THINK and drive in terms of courtesy. By so doing you will add greatly to the pleasure and safety of motoring for yourself and for others.

TRY COURTESY The New Spirit of the Road

[signature]

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THE TIRE SENSATION OF 1937

Construction

Active Season Ahead In Construction Field

Uncompleted Building Programmes 52% Greater Than Last Year — Major Industrial Expansion Projects Total More Than $6 Millions

Decisions of leading companies in the automobile, textile, chemical and packing industries to spend more than $6 millions on four major industrial construction projects in widely separated areas of Canada, are significant of the outlook for sustained activity in industrial building during the remaining months of the year. They are:

Courtaulds (Canada) Ltd. — $3 millions for a new plant at Cornwall, Ont.

Canadian Industries Ltd. — $2 millions for a new plant at Shawinigan Falls, Quebec.

Ford Motor Co. of Canada Ltd.—Approximately $900,000 for new plant and equipment for motor car assembly, near Vancouver, as part of a $5.5 millions expansion programme.

Burns & Co.—$150,000 for a new abattoir at Calgary.

As a cross-section of industrial expansion the plans of the four companies are important but they are of even greater significance to the construction industry as indicators of continued activity in the industrial and engineering branches of building. All four projects are either in progress or scheduled for immediate construction, but none of them will be completed for some time to come.

Uncompleted Building 50% Higher

The Canadian Bank of Commerce, in a periodical survey of the construction trend, estimates that the existing volume of uncompleted construction, based on contract awards to the end of May, is now 52% greater than at this time a year ago. Another source, MacLean Building Reports Ltd., places the total of contemplated construction of all classes at $213 millions.

The Canadian Bank of Commerce states that "by midsummer the peak of construction is usually over, and so it is unlikely that the current year will see a further rise in the trend of total contracts awarded, although engineering contracts, covering as they do a wide field of projects, may rise again later during the year."

The effect of these contract awards, however, will be shown later in the mounting employment and circulation of money during actual construction.

Courtaulds Expansion

Courtaulds (Canada) Ltd. is building a new unit at its Cornwall plant which, although forming part of successive extensions since the main mill was built in 1924, is the first major construction project of the company since 1933. The building and equipment will cost an estimated $3 millions and much of this will consist of labor cost.

The new unit will be 500 feet long and 150 feet wide, with basement and main floor, of brick and concrete construction.

Ford of Canada

Ford of Canada's new assembly plant on the Kingsway, between Vancouver and New Westminster, B.C., will not be completed for another five months. Here again continued construction activity is foreshadowed until well into the autumn. The building will be larger than originally planned and expenditures for equipment will amount to about $500,000 against $400,000 originally scheduled.

Revised plans for the new Ford unit involve a one-story structure, now the accepted type for assembly operations, 320 feet long and 240 feet wide, against original plans for a building 224 feet long with 53,760 square feet.

Canadian Industries

Canadian Industries Ltd. announced impending construction of a new plant at Shawinigan Falls early this month. Work will start at once and the completed structure, to cost around $2 millions, will be used for the manufacture of caustic soda and chlorine. In this case the building is not expected to be completed, and ready for production, until next summer. It will consequently be an important factor in construction activity long after statistical data concerning it has passed into the record. It will give employment to about 60 permanent employees and temporary work to between 200 and 300 during the construction period.

Buildings will be brick and steel construction with cement foundations, and the largest part of the structure will be one story, occupying a land area of some 16 acres.

Burns and Company

In western Canada the new abattoir of Burns & Co. at Calgary is the largest building project undertaken in Calgary during recent years, and its estimated cost of $150,000 will involve a large amount of new employment in Calgary building trades.

Its industrial significance lies in the expansion of the western meat packing industry and the building will be equipped with the newest machinery for that purpose. Slaughtering, rendering, and manufacturing and processing of hides will all be carried out in the new plant, on which work is starting. The building will be seven stories, about 50 by 100 feet in size.

JAMES W. SEWALL
Timber Cruises and Valuations
JAMES W. SEWALL
Old Town, Maine
PHILLIPS & BENNER
Ruttan Block, Port Arthur, Ont.

Toronto Elevators To Build Mill

Construction will start immediately on the new $450,000 feed mill addition to be erected at Queen's Quay, Toronto Harbor, by Toronto Elevators Ltd.

Warehouses which have occupied the site temporarily are being removed in preparation for the new project to be built by Carter-Halls-Aldinger Co. Ltd., general contractors. Designs and plans for the feed mill addition were prepared by C. D. Howe Co. Ltd.

Construction World

Are Costs Too High?

Increases in building costs, compared with levels of the depression period, have not been excessive, The Bank of Commerce finds after a survey of the construction situation.

During 1936 costs of materials were 85% of those in 1926, while wages were 93% and the composite cost of construction was 88%. But during the latter part of 1936 and the first quarter of this year costs of materials rose until the most reliable estimates place the current composite cost at about 97% of that in 1926.

Thus, construction costs have risen 17% above the trough of the depression, with building materials rising 26% and wage costs showing only a small increase.

"This rise," the bank finds, "can hardly be considered excessive, in view of the strong demand abroad for many of these materials, for the general commodity level has risen even higher, to 28%, and producers who have profited by these higher prices should therefore be in a position to take advantage of the opportunities offered by the still comparatively favorable costs of construction."

• • •

Cheap Houses Costly

Press dispatches from northern Ontario sound a plaintive note in connection with the apparent discrimination of lending institutes against northern Ontario residents anxious to secure Dominion Housing Act loans.

The Timmins Press, claiming that northern Ontario has had none of the millions advanced for home construction under the D.H.A., emphasizes that northern Ontario's need, especially in the mining areas, is probably more acute than in other sections of the country.

"If discrimination is to be pointed at the north," the paper adds, "because, as alleged, mining towns are too transient, too speculative for the loan companies, surely the housing shortage could be lightened in this area by making the loan smaller. People here are satisfied with much less pretentious homes and a cheaper type of construction."

If they are, the lending companies are not. The element of risk in making a D.H.A. loan is greater in the case of cheaply constructed houses than the risk in lending more money for modern, well-built, readily marketable dwellings that do not become rapidly obsolete or depreciated in value.

Quebec Plans Work on Roads

Highway Building Programme Will Run Into Many Millions

From Our Own Correspondent

MONTREAL.—Approximately 30,000 men will be at work by the early part of July on one of the most extensive road building programmes ever undertaken by the Quebec Government, according to an announcement made by the Hon. F. J. Leduc, minister of roads. While no official figures are available, as to the expenditure involved in this programme, it is understood it will run into several millions of dollars.

On the Mont Laurier-Senneterre route, two stretches started last fall with money voted for the Ottawa-Quebec relief works programme, will be finished with funds provided in the provincial roads budget. Two contracts, one for 35 miles and the other for 17 miles, have already been let and a "Standard A" highway will be constructed. The work will be completed within two years and this will provide the final link for a completely new road between the two points. The 52 miles will cost in the neighborhood of $1 million.

To complete the direct route from Montreal to the northern mining region, the Roads Department is now working to reduce the distance from the metropolis to Mont Laurier by 27 miles. With that in view work on the stretch will be undertaken this year from Point Belair, to St. Janvier Montee, and from Ste. Agathe to past St. Jovite.

In Brome County a $400,000 contract was let for more than 26 miles of road between Farnham and Cowansville and between Cowansville and Knowlton has also been let. This work will be completed during 1937.

There will be considerable road work done on the Island of Montreal, while a substantial expenditure will be incurred in connection with the Montreal-Quebec road.

Company Reports

Second Standard Royalties

Second Standard Royalties Ltd., whose oil royalty interests are held by Standard Royalties of Canada Inc., reports a small profit for 1936 contrasting with a loss in 1935. Payment of preferred dividends of $56,258 increased the total deficit to $1,196,766.

In effect, the company is distributing to preferred shareholders the amounts received from oil production on royalty properties, less administrative expenses. The charging of estimated production costs against revenues produces a deficit, but does not involve reduction of working capital. The total deficit represents approximately the sum of total dividend disbursements.

Engineers estimate recoverable oil on producing properties at 353,928 barrels, largely on royalties in the Oklahoma field.

Income and Deficit Account
Years Ended Dec. 31

	1936 $	1935 $
Oil produced & sold..	75,581	86,454
Estimated cost	57,796	79,569
Gross profit	17,785	6,885
Less: Admin. exp. ...	14,113	11,352
Net oper. profit	3,672	*4,467
Interest, exchange ..	1,016	1,579
Net profit	4,688	*2,888
Preferred dividends .	56,258	84,388
Deficit for year	51,570	87,276
Add: Prev. deficit...	1,145,196	1,057,920
Deficit forward	1,196,766	1,145,196

*Loss.

Working Capital

	1936	1935
Current assets	52,351	45,115
Current liabilities	2,131	50
Working capital	50,220	45,065

Dairy Corp. of Canada

Dairy Corporation of Canada reports a loss of $48,793 for the year ended March 31, 1937, contrasting with a small profit in the preceding year. J. A. Caulder, president, blames the loss on the increase from 6% to 8% last year in sales tax and on increased cost of milk, cream and other supplies, without corresponding increase in average selling prices. Commenting on control of prices by milk boards, he says that in the past year the lowest spread between buying and selling prices in the history of the industry was experienced.

As to the total of $623,718 in bank loans and overdrafts, which account for the deficiency in working capital, Mr. Caulder expresses the hope that "in the not too distant future a means of eventually disposing of them may be arranged." The excess of current liabilities over current assets increased by nearly $45,000 in the year.

The balance sheet shows reduction of $110,000 in book value of investments due largely to write-down of the companys interest in Mount Royal Dairies. Funded debt of subsidiaries rose from $570,400 to $742,275 and of Dairy Corp. itself from $651,900 to $655,600. The major part of the increase in funded debt is due to rehabilitation and expansion of the plant of City Dairy, Winnipeg.

Cons. Income and Deficit Account
Years Ended March 31

	1937 $	1936 $
Sales	2,963,099	
Cost of sales	1,871,073	
Gross profit	1,092,026	
Less: Sell. deliv. and admin. exps.	919,196	
Oper. profit	172,830	184,552
Add: Int. on Mount Royal Dairies bonds	......	8,350
Sundry income (net)	7,030	10,805
Total income	179,860	203,707
Less: Bank interest ...	28,935	31,700
Mortgage interest ..	1,432	1,438
Depreciation	83,775	86,360
Prov. for taxes	12,825	17,113
Dairy Corp. deb. int.	39,252	9,778
Subsid. int. & div. ..	49,099	51,186
Prov. for divd. arrears on sub. pref. stock	1,861	......
Loss on disposal of fixed assets	1,474	......
Net loss	48,793	*6,132
Less: Prev. deficit ...	139,675	147,242
Pr. yrs. inc. taxes ..	3,068	......
Reduct. in bk. val. of fixed assets	56,492	......
Adjusts. from reorg. of City Dairy Ltd., Winnipeg	33,872	......
Val. of Ont. Purity Dairy stock	7	......
Add: Pr. year adjust..	......	1,435
Trans. from sund. res.	5,994	......
Deficit forward	275,933	139,675

*Profit.

Working Capital Deficiency

	1937 $	1936 $
Current assets	353,007	376,775
Current liabilities	812,117	791,154
Net deficiency	459,110	414,379

New Building

The Daily Commercial News and Building Record reports:

Steel Co. of Canada, Hamilton, proposed extensions and alterations to blooming mill.

English Electric Co. of Canada, St. Catharines, Ont., new warehouse and addition to machine shop, $10,000, contingent on fixed assessment.

St. Lawrence Paper Mills Co., Three Rivers, Quebec, extension of pulp and paper mill.

T. Eaton Co., Toronto, foundations for air-conditioning equipment at Yonge St. store.

Consumers Glass Co., Montreal, proposed additions to glass products plant.

Bank of Nova Scotia, Saint John, N.B., proposed branch bank.

Procter & Gamble Co. of Canada, Hamilton, further extension of plant and contemplated $70,000 office additions.

Brown Corp., La Tuque, Quebec, addition to pulp mill, following completion of $85,000 acid reservoir now under way.

Oliver Co-operative Growers Association, Oliver, B.C., cold storage plant, $43,000.

Algoma Steel Corp., Sault Ste. Marie, 53 coke ovens, $800,000, as part of a $11.5 millions programme of extension to plant and equipment.

Welland Vale Mfg., Co., St. Catharines, Ontario, proposed additions and alterations to plant.

McArthur-Irwin Ltd., Montreal, alterations to paint factory.

Provincial Paper Ltd., Port Arthur, Ont., improvements to plant, $200,000.

Church and Dwight Ltd., Montreal, site acquired under lease for proposed factory at Amherstburg, Ont.

Canadian Industries Ltd., Shawinigan Falls, Quebec, caustic soda and chlorine plant adjoining present plant, $2 million.

Shell Oil Co., of Canada, Montreal, machine shop at oil refinery, $13,000.

Fine Foods of Canada, Tecumseh, Ont., warehouse $25,000.

McKinnon Industries, St. Catharines, Ont., contemplated plant additions and alterations.

Imperial Optical Co., Toronto, factory building, $45,000.

G. W. Crossan Heads Engineers

Attended by 200 engineers from power plants in all parts of Canada, the Dominion Association of Power Engineers concluded its convention sessions in Toronto last week with the election of G. W. Crossan, chief engineer of the Dominion Bank, as chairman of the board of governors of the association.

Sudbury Plan Expected Soon

$500,000 in Debentures to be Reissued at 4½ Per Cent

Refinancing of the city of Sudbury, Ont., will probably be announced in a week or two. This will be followed shortly by others of which Leaside, Ont., will likely be next.

An indication that the Sudbury plan is almost ready for presenting is given by a recent application by the Sudbury city council to the Ontario Municipal Board for permission to reissue about $500,000 of its debentures. These debentures had been hypothecated to the Royal Bank as security for loans.

The debentures are to be reissued to bear 4½% interest and it is understood that this basis will be used in refinancing all of the city's funded debt.

Quebec Defaults To be Refinanced

Bondholders to Consider Jonquiere Plan on July 15

From Our Own Correspondent

MONTREAL. — Under the close supervision of the Quebec Municipal Commission many of the municipal defaults in this province are slowly being brought back to solvency. During the first six months of the current year a number of municipalities in default have brought interest payments up to date and reorganization plans for these are being evolved.

Announcement has been made by L. E. Potvin, president of the Quebec Municipal commission, that plans of reorganization for the municipal and school corporations of Jonquiere, Que., with debts of $1,375,000 and $425,000 respectively will be presented to bondholders on July 15.

Chicoutimi's school corporation with a debt of $350,000 will submit a plan of reorganization to bondholders on July 14.

Moose Jaw Building

Building permits issued at Moose Jaw from January 1 to May 31 amounted to $55,798, as compared with $16,685 for the same period last year.

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And on this 70th Birthday, Canada contemplates a marvelous record of progress and achievement. From a childhood, sired by the sturdy stock of pioneers, our Nation has grown to maturity and wisdom, ranking among the great nations of the world, honoured in their councils, living in Peace and Prosperity that are priceless blessings. . . .

Study the record of development. The enterprise of Canadians has wrested from the great natural resources of our Land, in Fisheries, Lumbering, Mining and Agriculture, the foundations of a commerce that reaches to the far ends of the Earth. The ingenuity of Canadian Manufacturers has developed products that are welcomed in all the markets of the World. Canada, today . . . with a population relatively much smaller than other countries . . . ranks fifth among the Nations in international trade. . . . .

And the future is bright! Empire and foreign markets are eager for Canadian products. Canadian Trade Commissioners in 32 countries are ready to serve the exporters of Canada with trade and merchandising information. The Department of Trade and Commerce, which this year celebrates its 45th Anniversary, extends to Canadians every facility for the further development of Canada's trade abroad. . . . .

Take full advantage of these services. Let the great achievement of the past 70 years be the stepping stone to still greater progress in the future, so that each year we shall have still more cause to say: "Truly, the years have been good to us!" . . . .

HERE ARE THE ASTOUNDING FIGURES OF CANADA'S GROWTH SINCE CONFEDERATION

DEPARTMENT OF TRADE AND COMMERCE
HON. W. D. EULER, M.P., MINISTER — Ottawa — JAMES G. PARMELEE, DEPUTY MINISTER

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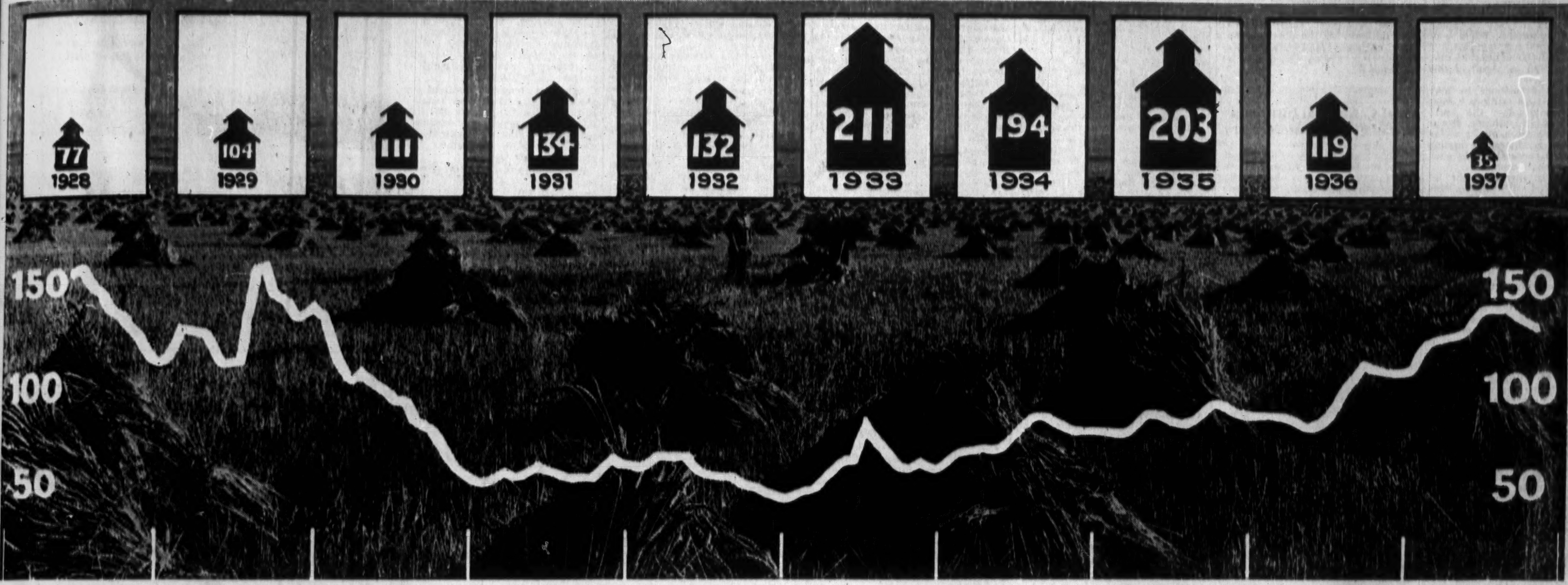
Canada Empties Her Wheat Bins



Ten Years Wheat History

Elevators show Canada's wheat carryover in millions of bushels at end of each crop year July 31. White line indicates average monthly price in cents per bushel of No. 1 Northern at Winnipeg.

Troubled Years of Loss and Uncertainty End as Dominion Shakes Off Carryover Burden—Machinery of Supply and Demand Moves Smoothly Again After 10 Years of Clogging

By GORDON L. SMITH

Eighteen months ago the Dominion Government handed J. R. Murray approximately 250 million bushels of wheat. He was told to sell it. And with practically no direct loss to Ottawa and no slashing of prices, Murray has got rid of the whole load or will have done so by the end of the crop year this month.

In carrying out this major liquidation, the head of Canada's Wheat Board has performed decidedly more than a first class bit of salesmanship. He has restored confidence in the biggest single industry of this country. He has convinced prairie growers and the world that there is a place for Canadian wheat and provided we are prepared to accept a fair and competitive price this Dominion can now go ahead and make full use of the rich, deep black soil with which nature has endowed us.

Murray refused to listen to the doctrine of man-controlled production. He realized that his task was one of selling, not production control. The latter he was content to leave to nature, which over a period of years could always be depended upon to balance accounts. Big crops in Canada would be offset by droughts in the Argentine or Russia and when the dry years withered our own prairies there would be ample returns in other parts of the world. Any interference on the part of man to reduce acreage, then, would only upset the equilibrium and might easily result in a serious shortage and famine prices, of benefit to no-one.

Early Grain Movement

Until about ten years ago Canadian growers were fully conversant with the highly fluctuating nature of the business in which they were engaged. They had done their part in devising safeguards. Varieties of wheat had been developed which were admittedly the best in the world. Growing costs had been reduced to a minimum. A system had been built up which moved the harvest quickly and cheaply from farm to consumer. Grades had been established to guarantee quality and maintain a world reputation. Through a futures market price bumps were ironed out and early sellers given the opportunity of cashing in on later rises. In short, conditions were made as stable as possible with such a volatile commodity as wheat.

Following harvest grain would start flowing in a golden stream through country elevators each fall and would be steadily marketed throughout the winter and spring. There were two big selling seasons—one in autumn when the world looked to Canada for its bread supply and again in late spring after the crops of the southern hemisphere had been consumed. At the end of each crop year, July 31, no matter how large had been the previous harvest, wheat in Canadian storehouses would be down below 50 million bushels or just enough to supply domestic consumption until the new harvest was ready and leave a comfortable margin of safety.

Huge crops had been handled. Only one of the seven crops between 1922 and 1928 fell below 365 million bushels, three of them were over 450 millions, yet there was no glut. Farmers harvested these abundant yields thankfully, the elevators absorbed them smoothly, the world bought everything over Canada's own 100 millions annual requirements. There were no abnormal carryovers and the country was prosperous.

Holding for Price

This was the way the Canadian wheat industry had operated from its beginning, well over a quarter of a century ago until 1929, and now with a carryover again under the 50 millions mark this is the way it is operating again. But between 1927 and 1937 there was a long, painful and expensive lesson.

Peak prosperity on this continent in 1929 was responsible for a lot of things the full significance of which was not realized for many years later. Despite the fact that Canada had harvested in the previous year easily the largest crop in its history the wheat pools decided that this should be worth as much as previous yields. When world buyers disagreed the holding policy began.

Unfortunately, this policy coincided with desperate efforts on the part of nationalistic governments in Europe to increase domestic wheat consumption no matter what the cost. It also coincided with the beginning of the world's worst depression and, finally, it conflicted sharply with the average consumer's ideas of values.

The normal buyer argued that costs of production on a crop of over 500 millions should be decidedly less than for one from the same acreage of only two-thirds as much. But the pools were obstinate and hung on to their surplus.

They also hung on to most of the harvest garnered in 1930. They were badly handicapped by the fact that already in the fall of 1929 they had advanced members considerably more in cash for the current crop than its eventual gross value either in 1930 or for nearly six years afterward.

Staggering losses rolled up as a result of these excessive advance payments and so crippled the pools financially that first the banks, then the provinces and finally the Federal Government, were dragged into the picture. But the pools and later John I. McFarland, as head of the new Canadian Wheat Board, persisted in their holding policy until the end of 1935.

Carryover Burden

The result was a complete dislocation of Canada wheat marketing system. By 1930 there was a carryover of 100 millions, or more than twice the normal amount. Two years later, notwithstanding relatively light crops in the interval, it was still there. The crop of 1932 was the last good one harvested in Canada to date, but it was by no means a record one. Total amounted to approximately 443 million bushels. The price range that year was about as high as had prevailed for some time but little effort was made to liquidate. As a result, carryover climbed to around 200 millions by the following summer and fluctuated from that point to over 250 millions for the next three years.

The pools argued that the huge crop of 1928 was their undoing. But while this was the biggest harvest of all time it was followed by a cycle of lower than average returns. Certainly the average yield of the five crops from and including 1928 was no higher than of the average for the five crops preceeding 1928 and there had been no trouble in liquidating those promptly each year. What would have happened had a really big crop occurred following 1928 is not difficult to imagine. Already elevators were bulging with wheat and Canada was carrying a surplus of close to one year's world import demand. Without even a fair crop in either 1933, 1934 or 1935, this accumulation became so big that it hung like a threat over all markets. Buyers were afraid to venture beyond a hand-to-mouth basis, because they knew not when McFarland would decide or be forced to let go.

Canada Unloads

Under the shrewd aggressive selling of "Jim" Murray this nightmare of big holdings has passed. This Irish Canadian took over the reorganized wheat board in December, 1935. He announced that he was prepared to sell but not to sacrifice, and then went to work. Aided by a series of short crops from the Argentine to Canada and gradual economic recovery throughout the world, he has done the job without the generally expected huge losses to the Dominion Government. At the height of the experiment the latter was the thoroughly anxious holder of more than 250 million bushels and responsible for storage charges of probably $2 millions per month.

It is doubtful whether even the most enthusiastic pool exponent would care to repeat the great wheat experiment of 1929-35. Evidence during the current Turgeon grain probe indicates a great change in heart. But there have been criticisms of the recent Murray selling policy. As prices rose steadily from the spring of 1936 on, these criticisms were heard more frequently and invariably accompanied by the plaint of how much Canada would have made had McFarland's surplus been retained.

They overlooked the fact entirely that no material rise occurred until Murray demonstrated that he was serious about selling and had actually disposed of at least 50 million bushels. The real rise came only when 100 millions, or nearly half of the surplus, had been sold by June, 1935, and when buyers were convinced that the current crop in neither Canada nor United States was going to come up to normal volume.

Even the most elementary student of buying psychology knows that there is no hurry to make purchases when both the shelves and aisles are full of goods. It is only when the end is in sight that the rush begins. To send Canadian wheat over the dollar mark Murray had to reduce his inherited holdings drastically. Had Canada continued to carry the McFarland surplus, wheat prices could not have risen to anything approaching present levels.

Increasing Acreage

While the Dominion treasury apparently has weathered the great wheat experiment without any great loss the same cannot be said for the average Canadian wheat grower. In markets and prices he has undoubtedly suffered enormous injury. For five consecutive years from the middle of 1930 the price of No. 1 Northern at Winnipeg did not reach 90 cents per bushel. For half of this time it was hovering around 50 cents and for some months actually fell below that point. To the farmer whose average crop price is probably 15 cents below No. 1 at Winnipeg, this meant less than the cost of production on the lower prices and still less on the abnormally light crops of 1931, 1933, 1934 and 1935.

Those that shipped to the wheat board, and there were few that didn't, of course got the Government guaranteed figure, which was considerably higher.

This was the era of stabilized prices, a period, it is true, of little variation in market quotations but as far as Canada was concerned of little wheat selling either. The grower shipped his wheat to the board, where he was sure of the minimum price even if the Government was almost as sure of getting a good deal less. For such growers all the risk was removed. As a result he increased his acreage steadily from an average of 21 millions in the six years prior to 1927 to over 25 millions for the six years afterward.

In spite of all the impractical talk of control and low world prices Canadian growers under their new protective policy were going ahead and increasing acreage and the Wheat Board was accumulating, not selling the results. On the one hand, we were stimulating production and on the other discouraging consumption by refusing to export wheat at current market prices.

During this period we antagonized some of our best wheat customers and we refused to take advantage of low world prices to cultivate new market sources in the Orient. Just what this policy cost us in markets alone is hard to determine, but certainly Canadian exporters of both wheat and flour are still encountering hostility engendered during that period of "Take our wheat at our price or leave it."

An Expensive Lesson

But there was another and direct cash loss as well. Had Canada been content to accept a moderately lower price for its surplus wheat from the huge crop of 1928, previous and recent marketing history indicates unmisthkably that the bulk of it could have been sold before the autumn of 1929.

It might have had to go for 10 or 15 cents less than the pool thought it was worth but a yield of 556 millions from an acreage of 24 millions probably cost 25 cents a bushel less than normal to produce. With this huge bulk out of the way there would have been less market pressure on succeeding crops. Even had a loss been taken in 1929 and 1930, as most other Canadians were forced to take, the thing would have been over quickly and what was lost on previous crops would have been made up on succeeding ones. It is conceivable that the great depression, for Canada at least, might have been materially shortened, and it is certain that much of recent hardship on the Prairies would have been averted.

Possibilities of what might have been made out of the short crops of 1933, 1934 and 1935 are well illustrated by the actual experience with the still shorter harvest of 1936. The net value of this to western farmers is estimated by Sanford Evans at $136 millions, as compared with $117 millions for 1935 and a pitiful $88 millions for that of 1934. With Canada's huge unsold surpluses hanging over world markets from 1930 until 1935 there was utterly no relation between current crops and current prices. The low yields of the last three years of the depression were valued exactly the same as the much bigger and more cheaply produced crop of 1932.

The final liquidation of Canada's wheat surplus this season, however, puts an end to this era of risk, uncertainty and loss. The natural law which forces prices higher as compensation for poor harvests is again permitted to function.

Canada's Unprofitable Railway Lines

Branch Lines Picked for Scrapping

MONTREAL.—Nearly four years have passed since the Duff Commission travelled across Canada investigating the Dominion's railway problem. It found that one of the contributory causes of the problem was the construction and operation of unprofitable lines. Since that time the Canadian National and Canadian Pacific Railways have applied to the Board of Railway Commissioners for leave to abandon 730.3 miles of track. A year ago, when The Financial Post made a special survey, the two railways' applications to the Board covered 680 miles of proposed line abandonments.

No one knows definitely just how much railway line in Canada can be abandoned and still provide an efficient service for all communities. But at the end of last year the two main railways reported 38,052.47 miles of line in operation in Canada. The applications made to the Board for abandonment cover only 1.9% of this mileage, so that the managements of the two companies seemingly hold to the belief that very little of the existing trackage can be abandoned, at least as long as the two systems operate separately.

An analysis of what has happened to the applications made to the Board shows

Refused	306
Granted	349.3
Pending	37
Withdrawn	38
Total	730.3

A further breakdown reveals that the Canadian National's applications cover a much greater mileage than do those of the privately-owned system, having amounted to date to 657.3 miles. This leaves 73 miles for the Canadian Pacific.

Following is an analysis of applications made by the Canadian National Railways and the Canadian Pacific Railway to the Board of Railway Commissioners for the past four years:

Prov.	Line	From	To	Mileage	Board's Decision
N.B.	C.P.R.	Cyr Junction	Edmundston	27	Granted
"	C.N.R.	Elgin	Havelock	26	Refused
"	"	St. Martins	Hampton	29	"
"	"	Shore Line Jct.	Bonny River	23.3	Granted
Que.	"	Dombourg	St. Marc	22	Pending
"	"	Victoriaville	Ste. Gregoire	30	Refused
"	"	Nicolet	St. Leonard Jct.	15	Pending
"	"	Iberville	Farnham	22	Granted
"	"	St. Hyacinthe	Bellevue Jct.	31	Refused
"	"	Noyan Jct.	Iberville	22	Granted
"	"	Farnham	Frelighsburg	18	Refused
"	"	St. Remi	Hemmingford	15	"
"	"	North Troy	Near Eastman	21	Granted
"	C.P.R.	Mile 0.95 Orford Sub.	Mile 16.0 Orford Sub.	16	"
Ont.	C.N.R.	Hawkesbury	Hurdman	61	Refused
"	"	Tweed	Bannockburn	20	Granted
"	"	Trenton	Brighton	10	"
"	"	Port Hope	Peterborough	28	Refused
"	"	Ronnac	Greenburn	42	Granted
"	"	Port Perry	Cresswell	15	"
"	"	Two Rivers	Ravensworth	38	Withdrawn
"	"	Golden Lake	National Jct.	20	Refused
"	"	Brant Co. Siding	Paris Jct.	6	Granted
"	"	Hickson	Tavistock Jct.	7	"
"	"	Burgessville	Woodstock	9	"
"	"	Simcoe Jct.	Otterville	14	"
"	"	Jarvis	Port Dover	9	"
"	"	Port Perry	Whitby	15	Refused
"	C.P.R.	Stobie Branch	Blezard Mines	3.4	Granted
"	"	Kingston Sub-Div.	Godfrey Spur	4.1	"
"	"	Nipigon Sub-Div.	Second Track	5.5	"
Alta.	C.N.R.	Peace River Jct.	Darson Jct.	33	"
"	"	Foothills	Lovett	6	"
B.C.	"	Bay Junction	Patricia Bay	17	"
"	C.P.R.	West End	Archibald	17	"
"	C.N.R.	Lardeau	Gerrard	33	Refused

Ontario appears to have a greater mileage of unprofitable line than the other provinces, judging by the applications, accounting for 307 of the 730.3 miles involved. Quebec ranks second on the list with 212 miles, followed by New Brunswick with 105.3 miles; Alberta with 30 miles and British Columbia with 67 miles.

Prince Edward Island, Nova Scotia, Manitoba and Saskatchewan are not affected by the applications filed with the Board to date. This does not necessarily mean that the two transcontinental lines do not plan on further abandonments, but it is noted that some time has passed since an application was filed for approval.

At present practically all the applications have been passed upon by the Board, only 37 miles remaining for decision. From the brief analysis set out above, it is apparent that the Board has only seen eye to eye with the railways on about half of the mileage involved in proposed abandonments. In New Brunswick the Board refused to approve plans of the railways to take up 55 miles, but gave approval to abandoning 50.3 miles.

Quebec has had an even better record in retaining its alleged unprofitable lines. Of the 212 miles covered by the applications, 81 miles were approved by the Board; 94 refused, while 37 miles are awaiting decision.

Life Insurance

Life Sales Up 12 Per Cent Over 1936

Canadian Business in May Declines from April Total

$31.8 MILLIONS

New sales of ordinary life insurance in Canada and Newfoundland during May recorded an advance of 12% over the total for May, 1936, but failed to equal the volume of new business reported for April of this year.

Sales of $31.8 millions in May compare with $28.4 millions a year ago and slightly under the April, 1937 volume of $32.9 millions. It was the first interruption of the rising trend this year, increases having been reported successively in each month since last December.

All provinces shared in the increase compared with sales in May of last year, but Alberta, Manitoba, and Nova Scotia were the only areas to record gains over the previous month of April. Ontario and Quebec led in volume of May sales with $13.8 millions and $9 millions respectively. Compared with May, 1936, increased sales in the Atlantic provinces ranged from 14.7% in New Brunswick to 50.6% in Prince Edward Island. On the same basis British Columbia's gain over a year ago is 13.5% although that province shows a decline from the total of April, 1937.

$5 Millions Over 1936

Sales are $5 millions in advance of the cumulative total up to the end of May in the corresponding period of 1936. Cumulative total from January to May inclusive this year is $155 millions against $150 millions in the corresponding period of 1936.

The following comparative figures based on returns of 18 companies having 89% of total insurance in force in Canada, are exclusive of group insurance, annuities, pension bonds without insurance, reinsurance, revivals, etc.

Ordinary Life Sales*
(a) Sales by Months 1934-1937
($ 000 omitted)

	1934	1935	1936	1937
Jan.	27,718	32,968	33,347	27,698
Feb.	29,036	28,716	28,834	30,604
Mar.	32,564	31,416	30,552	31,998
Apr.	33,296	28,900	28,876	32,919
May	33,134	27,423	28,411	31,858
June	32,277	32,112	31,247	.....
July	33,951	32,155	31,396	.....
Aug.	26,650	26,854	23,547	.....
Sept.	26,123	26,696	26,090	.....
Oct.	31,342	30,416	29,402	.....
Nov.	35,863	35,158	36,710	.....
Dec.	27,691	36,550	34,146	.....

*Based on 19 companies in 1934 and 1935 and on 18 companies in 1936 and 1937.

(b) Sales by Areas
($ 000 omitted)

	May, 1937	April, 1937	May, 1936
Alberta	1,335	1,170	1,308
British Columbia	2,583	2,650	2,373
Manitoba	1,648	1,454	1,598
New Brunswick	792	824	714
Nova Scotia	1,214	1,175	954
Ontario	13,795	14,859	12,902
Pr. Edward Island	119	130	87
Quebec	9,083	9,137	7,848
Saskatchewan	990	1,178	961
Newfoundland	299	342	232

The Wawanēsa Mutual Insurance Company
Canada's Largest Fire Mutual
A leading All-Canada Company — in volume; in strength; and in service to "select" property-owners and agents.
Home Office, Wawanesa, Man. Eastern Office: 341 Church St., Toronto. Branches in Vancouver, Edmonton, Winnipeg, Montreal, Moncton.
FIRE, WINDSTORM, AUTO, CASUALTY

The
Liverpool & London & Globe
Insurance Company Limited
ONE HUNDRED AND FIRST ANNUAL STATEMENT
December 31st, 1936

Net Premiums (Fire, Life, Accident, Marine, etc.)	$48,975,528
Consideration for Annuities granted	190,670
Net Interest derived from Investments & Other Income	4,457,264
Total Income	$53,623,462

ASSETS

Mortgages	$ 4,086,124
Loans	3,857,035
Government, Municipal, Railway and Other Bonds, Debentures and Stocks	131,269,547
Real Estate	7,161,622
Unpaid Balances and Premiums	7,796,331
Other Assets	3,769,496
Cash in Bank and on Hand	3,901,622
	$161,841,777

LIABILITIES

Capital Paid Up	$ 5,310,500
4% Debenture stock	4,490,847
Unpaid Losses and Claims	25,086,090
Sundry Liabilities	10,116,870
Reserve for unexpired Risks, Fire, Accident, etc.	17,073,293
Funds — Life, Marine, etc.	69,797,503
Net Surplus and Special Reserves	29,966,674
	$161,841,777

(£ Sterling taken at $5.00).
Manager for Canada:
R. FORSTER SMITH
Assistant Managers:
P. M. MAY H. CHURCHILL-SMITH

Insurers Buy Aluminium Bonds

From Our Own Correspondent

MONTREAL.—Private sale of $12.5 millions of 17-year unsecured 3¾% debentures has been made by the Aluminum Co. of Canada, subsidiary of Aluminium Ltd. The debentures were purchased by a group of Canadian insurance companies, with the Sun Life Assurance Co. of Canada taking the largest part of the issue.

No official statement has been made by the company but it is understood that the funds will be used in part to finance an expansion programme which it is estimated will cost approximately $10 millions. At the present time the company is increasing its capacity at Arvida and Shawinigan Falls.

D. of C. General Insurance Marks Fiftieth Anniversary

Fiftieth anniversary of the founding of the Dominion of Canada General Insurance Co. was observed by executives and staff this week, commemorating the opening of offices on June 23, 1887, by the Manufacturers Accident Insurance Co., forerunner of the present company. Sir John A. Macdonald was the first president, and held that post when he died in 1891.

Since Sir John Macdonald only four others have served the company in that capacity. They are George Gooderham, who died in 1905, Col. Sir Albert E. Gooderham, who resigned in 1911 to become chairman of the board and who resumed the presidency in 1916 and remained president until his death in 1935, J. E. Roberts who was president from 1911 until his death in 1916, and George H. Gooderham, president since 1935.

Port Mellon Firm Closes Kraft Mill

Port Mellon Operating Co., with a new kraft paper mill, and a sawmill at Port Mellon, B.C., is to be shut down early in July for an indefinite period, it is announced. The company started operations only six months ago, and it is stated that ocean freight rates are responsible for the shutdown.

In 1929, Vancouver Kraft Paper Co. invested some $1.5 million in the enterprise, but operations were suspended until Aug., 1936, when Port Mellon Co. leased the plant. Under the new organization, the plant had been in production since Dec., 1936.

Canada's Leading Underwriter

J. L. Golden, Montreal office of the Imperial Life Assurance Co., is the new president of the company's "Quarter Million Dollar Club," it is announced by J. F. Weston, president of Imperial Life. Mr. Golden is now the leading life insurance underwriter in Canada and ranks 25th of all underwriters in North America the company states.

Insurance Inklings

C. R. "SANDY" SOMERVILLE, winner of the Ontario amateur golf championship for the fourth time, five times Canadian amateur golf champion and the only Canadian to have won the American golf championship of the U. S. joined the selling organization of the London Life Insurance Co. in 1932. He is now a group supervisor

RELIANCE
INSURANCE COMPANY of CANADA
Montreal
Property Insurance

Higher Surplus For Liverpool

New Life Assurance of $16 Millions Sets Record in 1936

Underwriting surplus of The Liverpool and London and Globe Insurance Co. Ltd. for 1936, after full provision for outstanding liabilities and reserves for unexpired risks, is reported at $3.4 millions against $3.3 millions in 1935.

The entire amount of $3.4 millions was transferred to profit and loss account from underwriting accounts, including life. The company transferred $425,000 to staff pension fund, $1.2 million to strengthen additional reserves in the accident and miscellaneous insurance account, and carried forward $3.1 millions against $2.7 millions last year. The company's annual report recommends a final dividend of $3.37 per share, less tax, making total dividend for the year $6.75 per share, or the same as in 1935.

Fire premiums in 1936 were $19.5 millions against $19.8 millions in 1935, and losses in this department totalled $8.3 millions. After expenses and reserves for unexpired risks a balance of $2 millions was transferred to profit and loss account. This was $358,780 less than in 1935. The fire fund now totals $16.7 millions.

Accident Funds Rise

Premium income in the accident and miscellaneous department of $23 millions against $21.5 millions in 1935 and claims of $12.5 millions left a balance of $1.1 million after expenses and unexpired premium reserves, transferred to profit and loss account. This was an increase of $481,845 over 1935 and brings accident and miscellaneous insurance funds to $35.5 millions.

Marine premium income of $1.5 million rose slightly over the 1935 total, and with transfer of $105,085 to profit and loss, brings marine insurance funds to $2 millions.

New Life Policies

Life policies issued during 1936 reached 6,815 for new assurance which, less sums re-assured, created a new record figure of $16 millions, an increase of $3.7 millions over 1935. Net premium income was $4.7 millions, and claims were $3.1 millions, of which $1.5 millions were maturing endowments. Fifty-three annuity bonds were issued for $190,670.

Fire and Casualty

Marine Rates Reduced For Hudson Bay Route

Concessions in marine insurance rates for ships sailing the Hudson Bay route in 1937 may create a more stabilized basis of experience by which future premiums can be determined. The new agreements follow rates that have necessarily been experimental and are still, to a large extent, based on experience of an unusual type. Use of gyro compasses is involved in the new rate.

The British Joint Hull Committee recently decided on recommendations for modifying the scale of additional minimum rates on marine policies covering the Hudson Bay route, following conferences with Sir Halford Mackinder, chairman of the Imperial Shipping Committee, and who for some years has acted as intermediary between Canadian interests and the marine underwriters.

To date the Hudson Bay route has been slow in developing and the only important traffic was that in 1934 when the Saskatchewan wheat pool chartered 13 vessels, largely as an experiment. The experiment was not repeated in 1935 and the experience of that year was not encouraging to underwriters.

Traffic over the Hudson Bay route to Europe or North American Atlantic ports revived last year to about the volume of 1934, without experimental voyages, but a further setback occurred in the wrecking of the Avon River, a steamer bound from Montreal to Churchill. The grain cargo intended for the Avon River is still at the Hudson Bay port.

The new rate arrangement is expected to stimulate shipping over the route this season, however. Special rates take the form of a low additional charge based on gross tonnage, and another rate based on percentage of the insured value.

For 1937 rates remain on the bases of ninepence and one shilling, sixpence per gross ton, but the percentage rate for ships carrying a gyro compass is reduced from 17 shillings, sixpence to 15 shillings per £100.

Surcharges for very late sailings are lowered correspondingly, but the rate calculated on the insured value of vessels not carrying a gyro compass remains at 30 shillings per £100.

The new agreement affecting this season's rates also provides for inspection of gyro compasses before vessels leave for Hudson Bay.

Policies Issued For Hole-in-One

A hole-in-one is something to boast about, but also has a seriously adverse result affecting the golfer's handicap.

Quick to capitalize on the latter fact, enterprising insurance underwriters in Auckland, New Zealand, are now selling policies protecting Auckland golfers against the hazard of a hole-in-one.

The policy pays £1 for each hole-in-one, without restriction on the number of times a golfer suffers that so-called misfortune. There is another restriction, however, and it requires the hole-in-one to be made in the course of a regular game. In plain words, insurance companies are not paying £1 per hole-in-one merely on the unsupported testimony of the insured. They demand credible witnesses if any can be found on a golf course.

Casualty Companies Issue Policy Covering Vacation

Special "vacation accident" policies are being issued by casualty companies in the Montreal area, at low premium rates and for limited periods.

One type of policy which appears to be proving popular is for a 15 days' period at a premium of $3.80, another for 30 days at $4.75 and up to 120 days for $12.35.

Benefits include $5,000 for loss of life, $5,000 for loss of both feet or both hands, $2,500 for one foot or one hand, and there is a total disability feature, limited to 12 months with a monthly indemnity of $100, as well as partial disability on a six months limit with monthly indemnity of $50.

Banking

Banks' Current Loans Advance $17 Millions

Showing marked improvement for the fifth consecutive month, current loans of the Canadian chartered banks with the Dominion increased more than $17 millions in May. At the end of the month, the total stood at $727.9 millions as against $699.5 millions in the corresponding month a year ago.

Other important changes indicated in the monthly statement of the banks to the minister of finance include substantial reduction in deposits. Demand deposits fell some $32 millions to just under the $700 millions mark, while savings deposits withdrew $10 millions during the month, leaving the total at $1573.5 millions.

Comparative figures of some of the more important items are as follows:

	May 31, 1937 $	Apr. 30, 1937 $
Reserve fund	133,750,000	133,750,000
Note circulation	110,177,504	110,953,496
Demand deposits	699,566,400	731,961,61[illegible]
Notice deposits	1,573,466,165	1,583,327,25[illegible]
Deposits outside Canada	420,124,173	417,713,786
Bk. of Can. notes	43,685,170	40,709,745
Deposits with Bk. of Canada	199,604,549	199,473,003
Securities	1,437,986,140	1,439,681,579
Call loans in Can.	116,950,529	121,368,028
Call loans outside Canada	76,979,435	72,185,455
Curr. loans in Can.	727,880,132	710,442,224
Curr. loans outside Canada	160,544,766	167,953,50[illegible]
Total liabilities	3,323,925,645	3,335,437,202
Total assets	3,334,228,395	3,347,141,588

Bank of Canada Weekly Statement

Further significant changes are shown by the statement of the Bank of Canada for the week ended June 23, with reserves of sterling and U. S. funds rising $6.1 millions to $28.6 millions against $22.5 millions at the end of the preceding week.

Against this increase the statement shows a decline of $2.4 millions to $181.1 millions in gold reserve and a reduction of $3 millions to $35.9 millions in Dominion Government short term securities, compared with the previous week.

Comparative figures follow:

Balance Sheet

	June 23 1937 $	June 16 1937 $
Liabilities		
Capital paid-up	10,100,000	10,100,000
Notes in circ.	131,247,123	131,869,719
Rest. fund	743,716	743,716
Dep.: Dominion	18,769,825	22,715,522
Banks	191,892,789	186,591,515
Other	684,250	368,441
Total deposits	211,346,864	209,675,478
All other liabs.	1,890,812	2,010,21[illegible]
Total liabs.	355,328,515	354,399,125
Assets		
Reserve: Gold	181,137,125	183,551,960
Silver bullion	2,468,706	2,468,706
Res. in sterling and U. S.	28,640,206	22,503,723
Other curr.	3,805	3,467
Total reserve	212,249,842	208,527,856
Subsidiary coin	193,681	177,911
Investments:		
Dom. govt. short	35,926,341	38,926,775
Other Dom. govt.	98,404,210	98,456,669
Other secs.	4,999,312	4,995,888
Total invest.	139,329,863	142,379,332
Premises	500,500	500,197
All other assets	3,054,629	2,813,829
Total assets	355,328,515	354,399,125
Reserve ratio	61.95%	61.05%

Commerce Branch at Leaside

The Canadian Bank of Commerce has opened a new branch at Leaside, Ont., industrial area adjoining Toronto, and site of operations of Canada Wire and Cable Co. and other manufacturing concerns.

Weekly Bank Clearings

	June 24, 1937 $	Change year ago %	June 17, 1937 $
Halifax	2,159,237	+15.8	2,735,636
Saint John	1,773,489	+12.1	2,028,074
Moncton	879,324	—2.6	909,020
Sherbrooke	638,807	+67.5	785,582
Quebec	3,784,851	+38.1	5,346,144
Montreal	90,875,262	+13.7	116,351,584
Ottawa	16,363,998	+16.2	18,668,499
Kingston	559,487	+25.6	718,830
Peterborough	627,919	+11.3	745,054
Toronto	107,190,189	+2.3	144,499,778
Hamilton	5,297,567	+24.0	6,347,537
Kitchener	1,003,014	+6.0	1,467,567
Brantford	1,028,361	+24.7	1,086,078
London	3,104,341	+11.5	3,529,490
Chatham	542,809	+39.0	626,495
Sarnia	563,109	—4.4	550,156
Sudbury	961,018	—12.5	1,126,520
Windsor	3,936,679	+61.6	4,186,381
Fort William	932,996	—16.5	869,786
Winnipeg	33,618,511	—29.9	37,425,946
Brandon	294,311	+22.7	318,262
Regina	3,557,458	+39.5	3,849,833
Moose Jaw	535,655	+13.2	648,192
Saskatoon	1,353,488	+12.0	1,601,112
Prince Albert	338,227	+9.5	345,484
Medicine Hat	182,981	—18.3	222,341
Lethbridge	429,515	+5.8	455,395
N. W'minster	682,310	+36.5	713,765
Vancouver	18,445,934	+16.5	21,251,614
Victoria	1,734,682	+16.9	1,935,037

Staff Changes

The Royal Bank has made the following changes in staff:

C. V. SNOW, formerly accountant at New Glasgow, to be accountant at Charlottetown.

C. C. CARTER, formerly manager at Tessier, to be manager at Cabri, Sask.

C. REID, formerly manager at Vernon, to be manager at Cumberland, B.C.

C. W. KETCHESON, formerly manager at Cabri, to be manager at Climax, Sask.

L. S. YATES, to be accountant at Hastings & Homer, Vancouver.

C. M. GARCIA, formerly manager at Cienfuegos, to be manager at Caibarien Cuba.

The Bank of Nova Scotia has announced the following appointments:

C. A. KELLY to be manager at Quebec.

J. W. WYLIE to be manager at Somerset & Bronson, Ottawa.

The Bank of Montreal announces the following staff changes:

E. G. ELLIOTT, manager, MacGregor, to Banff as manager.

W. F. W. VanBuskirk, accountant, Lethbridge, to Lake Louise as manager.

R. A. STONE, accountant, Trail, to Bralorne as manager.

W. A. HUTCHINGS, manager, Bralorne, to Dawson, Y.T. as manager.

Bank Chat

Canada's Gold Reserves

Some attention has been given to the fact that the Bank of Canada's gold reserve which rose from $179.5 millions in February to a peak of $191.3 millions on April 14, subsequently declined to approximately $180 millions. In the last two months there has been a decline of roughly $11 millions in the bank's gold reserve. But it should also be noted, as pointed out in The Financial Post last week, that cash assets abroad have risen more than $24 millions since the close of 1936. In other words, the decrease in gold reserves has been more than offset by creation of credits abroad.

The increase and decrease in the gold reserve since the first of the year appears to have been merely a temporary change, and subsequent bank statements will show whether the bank intends to maintain its present substantial volume of funds abroad.

From the point of view of speed the cash and other liquid assets abroad are more quickly usable even than gold reserve to provide exchange.

Loan Policies Aired

Mutual exchange of information and policies determining the basis on which small loans should be made to bank customers and others is proving a valuable feature of meetings being held in Toronto between Toronto branch bank managers and officials of the Home Improvement Plan.

Clarification of the terms on which credit should be extended under varying conditions is of benefit particularly in the case of H.I.P. loans, and the conferences reveal that banks in general lay down a guiding principle in that connection. Most banks, it is found, take the stand that loan payments, added to fixed charges against the property (taxes and insurance) should not exceed 25% of the applicant's personal income. Character and ability to repay loans out of income are, of course, basic principles for all H.I.P. loans

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par	June 21	June 22	June 23	June 24	June 25	June 26
U. S. Dollar, High		1.00 1/64	1.00 3/64	1.00 5/64	1.00 9/64	1.00⅛	1.00 9/64
Low		1.00	1.00 1/64	1.00 3/64	1.00 3/32	1.00 3/32	1.00⅛
1936, High		1.00 1/16	1.00⅜	1.00¼	1.00 1/16	1.00 1/16	1.00 1/16
Low		1.00¼	1.00 1/16	1.00 1/32	1.00¼	1.00¼	1.00⅝
U. K. pound		4.94⅝	4.94⅞	4.94⅞	4.94¾	4.94⅝	4.94⅝
Australia		3.95⅞	3.96	3.96	3.96	3.95⅞	3.95⅝
Austria		.1875½	.1878¼	.1876¾	.1879⅜	.1880	.1880
Belgium		.1690	.1690⅛	.1690⅛	.1691⅛	.1691⅞	.1691⅝
Brazil		.0660	.0655	.0650	.0657	.0655	.0657
Czechoslovakia		.0348⅞	.0349	.0349	.0349¼	.0349¼	.0349¼
Denmark		.2209⅝	.2210⅜	.2210	.2209¾	.2208	.2208
France		.0446⅛	.0446½	.0446½	.0446	.0446	.0446⅜
Germany		.4012¼	.4013½	.4014¼	.4015½	.4017¼	.4017¼
Greece		.0090¾	.0090¾	.0090⅞	.0090⅞	.0090¾	.0090⅞
Holland		.5500¾	.5502½	.5504¼	.5505⅞	.5507½	.5507½
Hungary		.1976⅝	.1977¼	.1977⅞	.1978½	.1978	.1979
India		.3734	.3741⅜	.3739½	.3738⅜	.3736⅛	.3736⅞
Italy		.0525½	.0526½	.0526¾	.0526⅞	.0527	.0527
Japan		.2875⅛	.2880¾	.2879⅝	.2879½	.2876½	.2877½
Jugoslavia		.0233½	.0233½	.0233¾	.0233¾	.0233⅞	.0233⅞
New Zealand		3.98⅞	3.99	3.99	3.99	3.98⅞	3.98⅝
Norway		.2485¾	.2487½	.2487⅞	.2489	.2485⅝	.2484⅞
Poland		[illegible]	.1893	.1897	.1898	.1898	.....
South Africa		4.93⅝	4.93⅝	4.93⅞	4.93¾	[illegible]	4.93⅝
Sweden		.2550¾	.2552½	.2552⅞	.2552¼	.2550½	.2550
Switzerland		.2294¼	.2295½	.2295¼	.2294⅞	.2295	.2294½
Hong Kong		.3047	.3052	.3048⅞	.3043¾	.3042⅞	.3042¾

Quebec Plans Relief Works For Montreal

Will Seek $10 Millions Grant from Federal Government

From Our Own Correspondent

MONTREAL.—The city of Montreal and the province of Quebec have agreed upon a tentative $30 millions public works programme in the city to be spread over a period of two years as an unemployment relief measure. Final approval of the plan depends on whether the Dominion Government will put up one-third of the cost. The city and the province have both agreed to provide $10 millions each.

Agreement between Montreal and provincial authorities was reached at a conference held in Quebec City at which the mayor and executive committee of the city submitted a provisional plan to Premier Duplessis and his Cabinet.

If the public works programme is accepted by the Dominion Government, work will begin on the various projects immediately.

Hope Ottawa Will Agree

While political circles are hopeful that the plan will receive the approval of the Dominion Government it is pointed out that the federal authorities have already rejected a plan proposed by Hon. William Tremblay, minister of labor, under which the province offered to spend $8 millions throughout the province this year on unemployment relief works if the Dominion would match the amount. Ottawa, however, voted only $1.4 million for this purpose.

Ontario Hydro Reports Gain

Commission Calculates Saving in Contract Cancellations

Hydro-Electric Power Commission of Ontario has published the annual report for the year ended Oct. 31, 1936, including a record of the cancellation of Quebec power contracts and comparative financial results from new power purchase contracts.

The Commission calculates its saving on purchased power, due to the rearrangement of contracts, at $5,112,695 for the year ended Oct. 31, 1936. Largely as a result of the contract cancellations, the Commission's net income was $5,945,595 for the year compared with $760,825 in the preceding year.

The Commission's financial position shows improvement, current assets remaining at approximately $6¾ millions but current liabilities reduced to $4.8 millions from $7.6 millions in 1935. Long-term funded debt at $236.4 millions is almost unchanged in total. However, net borrowings from the Province of Ontario have been reduced to $156.9 millions, some $20 millions less than in 1935; which was effected largely by direct public borrowings by the Hydro.

Formerly the Commission borrowed its funds largely from the Government, which, in turn, borrowed publicly. The Commission is now following a policy of doing its own financing rather than through the provincial treasury.

Reo Sales Up

Reo Motor Co. of Canada reports the best May sales of truck and buses since the same month in 1929.

IT'S THE TOBACCO THAT COUNTS

Player's Please
20 for 25¢
IN PLAYER'S YOU GET Vintage TOBACCO

THE MONARCH LIFE ASSURANCE COMPANY
Established — 1906
A Strong Progressive Company
Offices from Coast to Coast

Are You Participating?
LAST year Northwestern Mutual distributed $1,143,727 in dividends to its policyholders. As a result the actual net cost of fire insurance on thousands of Canadian homes and businesses was substantially reduced. Enquire of our Nearest Office.
BRANCHES: Toronto, Hamilton, Ottawa, Montreal, Quebec City, St. John, Halifax, Winnipeg, Saskatoon, Calgary, Edmonton, Kelowna, Victoria, Vancouver
NORTHWESTERN MUTUAL FIRE ASSOCIATION
Non-Assessable Policies Assets $6,000,000

AUSTRALIA and NEW ZEALAND.
BANK OF NEW SOUTH WALES
(ESTABLISHED 1817)
With which the Western Australian Bank & The Australian Bank of Commerce Ltd. are amalgamated

Paid-up Capital	£8,780,000
Reserve Fund	6,150,000
Reserve Liability of Proprietors	8,780,000
	£23,710,000
Aggregate Assets 30th Sept., 1936	£115,150,000

A. C. DAVIDSON, General Manager.
780 BRANCHES and AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London. The Bank transacts every description of Australasian Banking Business. Wool and other Produce Credits arranged.
HEAD OFFICE: GEORGE STREET, SYDNEY.
London Offices:
29, THREADNEEDLE STREET, E.C. 2; 47, BERKELEY SQUARE, W. 1.
Agency arrangements with Banks throughout Canada.

1824
ALLIANCE ADDS TO POLICY HOLDERS' SECURITY
EXTRACTS FROM THE COMPANY'S REPORT FOR THE YEAR 1936

Premiums	$ 28,765,609
Interest from Investments	6,949,472
Total Income	$ 35,715,081

FUNDS OF THE COMPANY

Paid-up Capital	$ 5,000,000
Life Assurance and Annuity Funds	128,164,252
Fire Insurance Fund	16,298,290
Sinking Fund and Capital Redemption Insurance Funds	11,986,995
Marine Insurance Fund	5,457,539
Accident and Miscellaneous Insurance Funds	6,296,695
Reserve	8,250,000
General Account	3,485,696
Members' portion of Life Profits Account	380,872
Profit and Loss Account (subject to Dividend on Share Capital)	5,956,336
	$191,276,675
Reserve for Outstanding Claims and other Liabilities (as per Balance Sheet)	8,166,497
Total Assets	$199,443,172

($5 taken as equivalent to £1 sterling)
ALLIANCE
ASSURANCE COMPANY LIMITED
OF LONDON, ENGLAND
ESTABLISHED 1824
HEAD OFFICE FOR CANADA
BARCLAY'S BANK BLDG., MONTREAL
Manager for Canada: E. E. KENYON
FIRE • AUTOMOBILE • CASUALTY

United States Fidelity & Guaranty Company
TORONTO

TRADE WITH GREAT BRITAIN
The ramifications of the Royal Bank of Scotland throughout Great Britain and the entire World enable it to handle every description of British Empire and Foreign Banking business.
Head Office:
EDINBURGH
254 Branches in All
LONDON:
Chief City Office:
3 Bishopsgate, E. C. 2
ROYAL BANK OF SCOTLAND
(Incorporated by Royal Charter, 1727)
Deposits £66,800,903
Associated Bank:
Williams Deacon's Bank Ltd.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto.

Mersey Paper

Will you please let me have your views on the new 5% first mortgage bond issue of Mersey Paper Co.

Mersey Paper Co. is covering interest on the new issue of 5% first mortgage bonds by a wide margin. During the depression and at a time when the newsprint industry was in considerable difficuties, this company was able to meet all its debt charges. This was an exceptionally good showing, in view of the fact that a number of the newsprint companies had to default on bond interest and more than one went into bankruptcy. The outlook for the newsprint industry is now better than it has been for many years past and Mersey Paper Co. is sharing in the improvement.

Winnipeg Suburbans

I hold bonds of the rural municipalities of St. James and St. Vital and of the city of St. Boniface. Can you tell me if any steps are being taken toward refinancing these municipalities and give approximate quotations for the bonds?

Negotiations have been started between representatives of the bondholders of the various Winnipeg suburban municipalities which are in default, including St. James, St. Vital and St. Boniface. J. E. Fortin, Toronto, and Lieut.-Col. Rudolph Bedard, Montreal, are now working on a plan which will be presented to the municipalities concerned. After arriving at a plan acceptable to the municipalities it will have to be approved by the public utility board of the Province of Manitoba and accepted by bondholders. It is expected to have a solution ready by the end of July or the early part of August. Current quotations on the bonds which you mentioned are as follows: St. James, 30 to 33; St. Vital, 30 to 33; St. Boniface, 36 to 39. As all of these municipalities are in default as to principal and interest, quotations do not vary with the various interest rates or maturity dates.

International Power

Kindly let me have an opinion on International Power and whether or not the present dividend will be maintained. Is there any immediate likelihood of the arrears being paid?

International Power's financial statement for 1936 indicated a strengthening of position. Income in the last couple of years has been sufficient to warrant payment of 6% on the preferred stock. This is less than the 7% rate called for. It now appears that the company will be able to maintain the present 6% dividend, while there is a fair possibility that the rate will be stepped up to 7%. We do not see any immediate prospect for payment of arrears but this is a possibility over the next year or two.

Walkerville-East Windsor

What arrangements have been made for holders of bonds of the Walkerville-East Windsor Water Commission in the refinancing plan for the city of Windsor?

Holders of bonds in Walkerville-East Windsor Water Commission received treatment similar to Walkerville and East Windsor bondholders in the recent refinancing plan of the new city of Windsor. This means that bondholders would receive, for each $1,000 bond held, one bond for $500 bearing interest at 4% and another bond for $500 bearing interest at 2%. These are the rates which are to be paid on the Walkerville and East Windsor bonds respectively. Some time ago the commission, which was settling the affairs of the municipalities concerned, divided the assets of the water works commission on a basis which gave 50% to each municipality. For this reason when the refinancing took place holders of bonds on the Walkerville-East Windsor Water Commission received similar treatment. Interest on the new bonds accrues from Jan. 1, 1936, and three coupons which have matured will be payable at once on receipt of the new securities. It is expected that the new bonds will be ready for distribution some time in Aug., 1937.

Page-Hersey Dividends

What is the present dividend rate on Page-Hersey Tubes, Ltd., and is there much likelihood of an increased dividend?

Page-Hersey Tubes is now paying dividends at an annual rate of $4 a share, which gives a yield of slightly less than 4% of the current price. The prospects of an increase in dividend depends to a large extent upon future earnings. The likelihood appears to be that the $4 rate will be maintained for 1937. The company is in a strong working capital position, and could, therefore, pay extra dividends if earnings warrant it. On the other hand, it must now be noted that the company has received the authority of shareholders to purchase over 34,000 shares of common stock for redemption. If such purchases were made, it would reduce the company's working capital very materially. The immediate effect might be to restrict dividends, but in the long run it would give the remaining shareholders a claim on a larger proportion of the total earnings of the company. Last year's earnings amounted to $4.25 a share.

B. C. Telephone

Have the 5% first mortgage bonds of British Columbia Telephone Co. been called for redemption? What is the current quotation for the 5% bonds? I am able to get quotations on the 4½% bond of the company but have not seen the 5% bonds quoted for some time.

British Columbia Telephone Co. 5% first mortgage bonds, due Dec. 1, 1960, are quoted at approximately 105½ bid. The 4½% bonds, due 1961, are quoted at around 105. The 5% bonds are quite inactive on the bond market and for that reason the 4½% are more frequently quoted.

In July, 1936, holders of the 5% first mortgage bonds were offered an exchange for the new 4½% series B bonds. The new series B bonds were offered at 105 and accrued interest, the holders of series A bonds being allowed 108½ for bonds converted under this offer. This conversion offer terminated on Aug. 26, 1936. As a result of this conversion, however, the amount of series A 5% bonds outstanding was reduced from $10 millions to $3,398,000. The 5% issue was not called for redemption, but 6,602,000 of the 4½% bonds were issued.

Loblaw Groceterias

What is the difference between the class A and class B shares of Loblaw Groceterias? Does it explain the higher market price for the class A shares.

The class A shares of Loblaw Groceterias are entitled to a cumulative preferred dividend of 50 cents a share, before payment of any dividends on the class B stock. Then, after payment of 50 cents a share on the class B shares, further profits are equally divided, share for share, between classes A and B stock. The class B shares have full voting rights, but the class A shares have no voting rights unless one year's dividend of 50 cents a share is in arrears. At present the company is paying regular dividends of $1 a share on both classes of stock, so the preference as to the initial 50-cent payment on the class A stock is not very important. The voting rights are not given great value at present, because there seems to be general satisfaction with the efficiency of the management. The stock market seems to place a slightly greater value on the preference for an initial dividend of 50 cents on the class A shares than it does on the present sole voting rights on the class B shares.

The company has had a good record, and is a highly efficient food merchandising organization. The 1936-37 earnings have been reported at $1.33 a share, and recently an extra dividend of 12½ cents a share on both classes of stock was distributed for the year ended May 31, 1937. If the company can continue to maintain the present volume of earnings and business, it seems likely that the current dividend of $1 a share will be maintained and that occasional extra payments will be made.

United Steel Class A

What is the prospect for regular dividends on class A preferred stock of United Steel Corp. and is this stock likely to appreciate from the present price of about $20 a share?

United Steel Corp. showed consolidated earnings of $102,557 in 1936, equivalent to more than double the annual dividend of $1.50 a share on the class A preferred stock. However, the earnings included those of Standard Steel Construction Co., the major subsidiary, which amounted to $92,808. So the earnings of United Steel alone apparently amounted to only about $10,000 after bond interest. There are 9,790 shares of preferred stock of Standard Steel Construction Co. outstanding on which dividend arrears are $3.75 a share. However, the combined earnings of the two companies last year were more than sufficient to cover all regular dividend requirements on the preferred shares of both Standard Steel and United Steel. The prospects seem to be that United Steel can continue to pay the regular annual dividend of $1.50 a share on the class A preferred stock. The possibilities of appreciation in price are limited by the fact that the shares do not participate in any further earnings and have a par value of $25.

Burnaby Bonds

What is the position of the District of Burnaby from the standpoint of the bondholder?

District of Burnaby, a Vancouver suburb, has been in default on bond interest for approximately five years. The municipality is being administered by a commissioner appointed by the province. We understand that there have been no steps taken as yet toward refinancing the district of Burnaby and it appears that it will be some time yet before the municipality will have re-established its finances on a sound basis. At the end of 1936 accumulated tax arrears were $383,221 as compared with $475,871 at the end of 1935. This represents a substantial decrease but tax sale lands held by the municipality have increased from $1.8 million at the end of 1935 to $2.1 millions at the end of 1936. The municipality's gross funded debt at the end of 1936 was $3.6 millions of which $314,000 was in default as to principal maturity. Sinking funds on hand amounted to only $175,374. It is probable that some progress is being made in improving the municipality's finances but indications are that some time will yet elapse before the district of Burnaby can resume payments to bondholders.

Canadian Bakeries

I note a report that Canadian Bakeries will show substantial improvement in profits for the current year. Is this correct? Is there a probability of early commencement of dividends on the first preferred?

Canadian Bakeries is expected to show a profit in the year running to Aug. 31. But it is expected to be a small one. Last year there was a net loss of $11,059 after all charges. One factor that may hold the net profit down to a comparatively modest figure is that depreciation charges have been below $70,000 annually for the past three years, whereas the charge was formerly as high as $161,000, and an increase in this allowance would reduce the net.

Last year the company showed an accumulated deficit of some $199,000, which prevents payment of dividends at least until some form of adjustment is made to eliminate the deficit. The 9,130 shares of 7% first preferred will be in arrears of dividends of $43.50 a share when the company's year closes next Aug. 31.

International Utilities B

What is the position of the class B shares of International Utilities Corp. and is there any prospect of dividends?

International Utilities Corp. is a holding company controlling a number of operating companies in the public utility field. It is, therefore, dependent on dividends and other income from subsidiaries for its revenue. Ranking ahead of the class B shares are three classes of preferred stock and also the class A shares. At the close of 1936 arrears of dividends were $17.50 a share on the 124,062 class A shares and there were also arrears on one class of preferred stock of which 94,707 shares were outstanding. The company paid arrears in full on the two senior preferred issues on March 1, 1937. With further improvement in earnings the remaining dividend arrears could be paid. No dividends, however, have ever been paid on the class B shares which stand on the extreme outer fringe of the equity.

Investors Syndicate

Savings Certificates Require Payments Over Period of Years

Enquiries about operations of Investors Syndicate, reflecting wide investment interest in the organization, call for explanation of the nature of savings certificates which are distributed among thousands of investors in Canada as well as in the United States.

Investors Syndicate savings certificates provide for regular periodical payments by the holder to build up an investment fund of a fixed amount at the termination of the certificate period, which is usually 15 years. Payments may be made monthly, quarterly, semi-annually, or annually.

This plan of long-term savings operates somewhat similarly to the investment portion of a life insurance contract, and in the early years of payment the cash surrender value to the certificate holder is less than the total amount of the payments. In the later years, the cash value rises rapidly, and at present a net return of 4% is offered.

A comparison of the cash payments, on an annual basis, with the cash surrender or loan value on a certificate for $2,500 is as follows:

Comparison of Values

Period years	Total amount of payments $	Cash or loan value $
1	120	44
2	240	134
3	360	264
4	480	400
5	600	540
6	720	700
7	840	860
8	960	1,024
9	1,080	1,200
10	1,200	1,418
15	1,800	2,500

It will be noted that in the last five years the total deposits of $600 are calculated to bring an increase of $1,082 in the cash value. That is due to accumulation of interest earnings over the 15 years largely in the later stages of the payment period. It is not until the seventh year of the period that the cash surrender value exceeds the amount of the deposits. It is therefore essential for the investor to maintain payments to maturity if he is to benefit.

The Syndicate's total assets are now close to $100 millions, but the net security for certificate holders, as calculated by The Financial Post from the annual statements, is as follows:

Analysis of Position As at Dec. 31

	1936 $	1935 $
Certificate liabilities:		
Surrender values	65,229,135	52,143,242
Contingent values	11,661,260	9,109,184
Totals	76,890,395	61,252,426
Secured by:		
Liquid assets	24,544,503	28,790,429
Mortgages	48,918,236	26,866,354
Other net assets	12,223,407	13,738,429
Totals	85,686,146	69,395,212
Margin of security	8,795,751	8,142,786

The immediate claims of certificate holders are the cash surrender values. The net assets exceeded the total of surrender value by 31.4% in 1936 and by 33.1% in 1935.

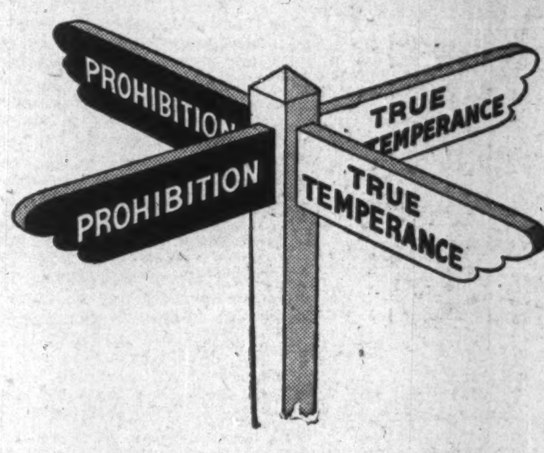
Certificate holders who maintain their payments will also have ultimate claims for the contingent values, which represent largely accumulated interest on previous payments. The total net assets amounted to 111.4% of both cash surrender and contingent certificate values in 1936. And in 1935, the security on this basis was $113.3% of these total ultimate claims of certificate holders.

The investor is allowed to discontinue payments for a period not exceeding two years and then to resume without penalty, in which case the term of the certificate is lengthened proportionately. At maturity there are various optional methods by which the investor can either receive cash payment or leave funds on deposit for further accruals.

The Syndicate has followed a policy of investing money received from Canadian certificate holders in Canadian securities, and at the end of 1936 such holders totalled approximately $4 millions. All certificates are issued, however, and assets held for the security of investors, through the international organization.

CANADIAN SECURITIES
Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility and Industrial Financing
DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA
AGENCIES:
EQUITABLE LTD., Calgary, Alberta
BUTLER BYERS BROS. LTD., Saskatoon, Sask.
McCALLUM-HILL AND COMPANY, LIMITED, Regina, Sask.
J. K. RINGLAND & COMPANY, LIMITED, Herald Building, Lethbridge.



Prohibition is the opposite of true temperance

It is plainly in the interest of the Brewing Industry to promote True Temperance, to defend itself and its thousands of workers against the effects of extremist propaganda.

But it is also to the public interest that the whole story should be told.

These messages, then, are intended as a genuine service to the great majority who are not extremists on either side . . .

In 1916 when Prohibition came to Ontario, sincere temperance people voted for it. They gave it eleven years fair trial. But it failed!

Then the same sincere temperance people voted for its repeal—and substituted government control.

But government control cannot be effective without *self*-control—for that was why Prohibition was a failure.

Apart from the fact that Prohibition led people to drink who never drank before, just to show that no law could infringe their personal liberty . . .

Apart from the habits of secret drinking which Prohibition bred . . .

Apart from the contempt for *all* law which sprang from the breaking of this one law by high and low . . .

Apart from all other sorry consequences of Prohibition, the sorriest of all was that Temperance education ceased!

Instead of teaching the individual self-control, reliance was placed on law-control.

Let us now pick up the trail again where it left off in 1916. For in those days, at least, it was *not* smart to be intemperate.

Let us again regard *the drinker* as the problem, not *the drink!*

● *This advertisement is inserted by the Brewing Industry in the interest of a better public understanding of certain aspects of the problems of temperance and local option.*

CHAMPION MORTGAGE CORPORATION – LIMITED
EDMONTON VANCOUVER
CALGARY VICTORIA
SASKATOON REGINA

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

G. S. HOLMESTED
Licensed Trustee in Bankruptcy
Liquidator, Receiver, Etc.
McKINNON BUILDING - TORONTO, ONT.

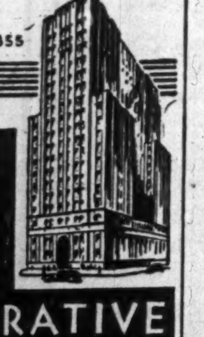
You'll be proud of your De Soto, too!

De Soto's style, youthfulness, and beauty appeal alike to the sixteen-year-old and the sixty-year-young. Drive your cares away in a big, luxurious De Soto . . . secure in its safety . . . at ease with its responsive control . . . delighted with its economy. There's an impressive mechanical story behind De Soto's distinctive beauty. See your Dodge-De Soto dealer—today!

Give Yourself a Treat.. RIDE IN A DE SOTO
$1003* and up
Delivered in WINDSOR, ONT.
Gov't Taxes, Freight and License extra.
*Subject to change without notice.

We Manufacture Envelopes for every purpose
Barber-Ellis of Canada, Limited
TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

FOUNDED 1855
A Safe REMUNERATIVE INVESTMENT
Canada Permanent Debentures are a favorite security of many thousands of experienced investors. Issued for $100, and upwards, bearing the following attractive rates:
for 1 or 2 years - 3 %
for 3 or 4 years - 3¼%
for 5 years - - 3½%
A legal investment for trust funds.
CANADA PERMANENT Mortgage Corporation
HEAD OFFICE: 320 BAY ST., TORONTO
ASSETS EXCEED $68,000,000



STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

The following table is confined to official prices for listed stocks. Where no recent transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JUNE 26

Range 1937 High	Low	Div Rate $	Jun25 Y'ld %	Stock	Sales	Last June 21	Week end. June 26 H	L	Cl'se
				A					
15½	5¾	.	...	Abitibi	5240	6¾	6¾	6	6
80	41½	.	...	Do. pref. 6%	2260	60	60½	59	59½
97	60	.	...	Do. pref. 7%	....	(— bid 80 asked)			
79½	41	.	...	Do. cert. dep.	210	58	59	59	59
6¾	4¾	10c	...	Acadia Sugar	....	(3½ bid 4½ asked)			
18½	9½	50c	5.3	Acme Glove	....	(9½ bid 12½ asked)			
94	75	6.50	8.7	Do. pref.	....	(— bid 75 asked)			
12	8½	40c	4	Agnew Surp.	85	10	10	10	10
110	105	7	6.6	Do. pref.	....	(105 bid 107 asked)			
7	4½	.	...	Alta. Pac. Gr.	60	5	5	4½	4½
43½	22¾	.	...	Do. pref.	50	25	22¾	22¾	22¾
135	114	.	...	Aluminum	....	(106 bid 108 asked)			
130	130	6+3.75▲	.	Do. pref.	....	(130 Mar. 19)			
7	5	.	...	Amal. Electric	....	(2 bid 4 asked)			
31	26	.	...	Do. pref.	10	27	26	26	26
35¾	29¾	15c	...	Amer. Cyn. B.	....	(— bid 40 asked)			
122½	80	.	...	Asbestos	889	84½	83	80	80
16	11	80c	5.4	Assoc. Brew.	305	14½	14¾	14¾	14¾
110½	106	7	6.4	Do. pref.	....	(107¾ bid — asked)			
6½	6½	.	...	Assoc. T. & T.A.	....	(— bid 8 asked)			
57	51	42c	...	Do. pref.	....	(— bid 51 asked)			
102½	100	5.50	5.5	Ault & Wiborg pf.	....	(— bid 100 asked)			
				B					
60	57	2.25	3.9	Bank of Canada	178	59½	59	58	59
160	143	8	5	Bk. Can. Nat.	10	160	160	160	160
245	219	8	3.5	Bk. Montreal	111	235	235	230	230
340	305	12	3.6	Bk. N. Scotia	17	327	330	325½	328
273	246	10	3.8	Bk. Toronto	21	250½	260	250	250
8	6	.	...	Barcelona	....	(5 bid 7½ asked)			
15	10½	96c	...	Barker's Bread	....	(— bid 15 asked)			
48	43½	2.50	5.7	Do. pref.	....	(— bid 48 asked)			
24¾	17	.	...	Bathurst Pr.	1160	18	18½	17¾	18½
12½	6¾	.	...	Do. (B)	331	8½	8¾	8½	8½
5¾	3	.	...	Bawlf Grain	475	3½	3½	3	3
38	25	.	...	Do. pref.	....	(— bid 27½ asked)			
10	4¾	.	...	Beath & Sons	....	(4 bid 5½ asked)			
21½	14¾	.	...	Beatty Bros. A.	20	16¾	17	17	17
112	100	6	...	Do. pref.	....	(105 bid 110 asked)			
105	102	7	...	Do. 2nd pref.	....	(99 bid 105 asked)			
10	5	.	...	Beauharnois	9774	6½	8¾	6	8½
107	100	4	4	Belding Cort.	....	(— bid 105 asked)			
130	126	7	5.4	Do. pref.	5	130	130	130	130
178	154	8	4.7	Bell Telephone	866	167	170	165½	168½
16¾	10½	25c	...	Biltmore Hats	125	12	12	11	12
110	109½	7	6.4	Do. pref.	....	(110 bid — asked)			
13	8½	.	...	Bissell, T. E.	....	(7 bid 15 asked)			
69	45	.	...	Do. pref.	25	69	65	65	65
6¾	4	.	...	Blue Ribbon	14	4	4	4	4
40	35	2	5.6	Do. pref.	2	36	36	36	36
29¾	14¾	1.30	5	Brant. Cord. pf.	50	25½	25½	25½	25½
30½	18½	90c	...	Brazilian Tr.	10282	23¾	24	23	23¾
9½	6	1.40+10c	.	Brew. & Distil	131	7½	8	7	7
6½	6	30c	4.6	Bright, T. G.	5	6½	6½	6½	6½
†82	75½	6	...	Do. pref.	....	(74 bid — asked)			
26½	21¾	1+20c	5.2	Brit. Amer. Oil	2183	23	23	22¾	23
22	16	.	...	B. C. Packers	82	18½	18	18	18
39½	35	1.80	5	B. C. Power A.	490	36	36	35	35
11½	7	.	...	Do. (B)	20	7½	7½	7½	7½
12	5¾	.	...	Bruck S. Mills	55	6	6	5¾	6
74½	56½	1.40+50c.		Building Prod.	80	60	60	58	59½
18	14¾	70c	...	Burlington Steel	100	14¾	15	15	15
8	5	25c	...	Burry Biscuit	....	(4¾ bid 6 asked)			
60	50	3	6	Do. pref.	....	(40 bid 41 asked)			
44½	39½	2	5	Burt, F. N.	70	41½	41	40	41
				C					
105	100		...	Calgary Power	....	(100 bid — asked)			
92	79	6	6.7	Do. pref.	....	(— bid 93 asked)			
10½	6½	.	...	Canada Bread	50	6½	7	6½	7
103½	99½	5	4.9	Do. pref.	....	(101 bid 103 asked)			
59½	50	2.50+12½c▲		Do. pref. B	....	(— bid 53 asked)			
10½	8	40c	...	Canada Bud	1255	8½	8½	8	8½
23	15			Canada Cement	1303	16	16	15	15¾
111	102	2		Do. pref.	236	103½	103½	102	102
73½	60	1.50+1	3.5	C. & D. Sugar	....	(69¾ bid 70½ asked)			
b38½	23½	.	...	Canada Dry	2900	26¾	27¾	26½	26½
20¾	16	.	...	Can. Forg. (A)	....	(— bid 18 asked)			
18	14	.	...	Do. (B)	50	16½	16	16	16
31	30	.	...	Can. Iron	....	(34 bid — asked)			
72	66½	5	7.2	Do. pref.	....	(74 bid — asked)			
39	34	1.50+50	5.4	Can. Malting	405	37½	37½	36½	37½
29½	20	1.20	5.7	Can. Nor. Pr.	40	20	21	21	21
112	108	7	6.2	Do. pref.	24	110	112	110	112
96	82	3	3.6	Can. Packers	85	84	84	82	84
†118	105	.	...	Can. Paper, pf.	....	(112½ bid — asked)			
7	1¾	.	...	Can. Paving, pf.	....	(1¾ bid 6 asked)			
160	146	8	5	Can. Perman.	34	157	160	155	160
25	25	6	...	Can. Starch	....	(30 bid — asked)			
105	105	7	6.7	Do. pref.	....	(105 bid — asked)			
7	3½	.	...	Can. Steamsh's.	362	4	4	3½	3½
18½	13¾	.	...	Do. pref.	530	14	14	13¾	13¾
21	17	1.20	6.8	Can. Vinegars	25	17½	17½	17½	17½
75	50	.	...	Can. W. Cable	26	65	65	62	62
31	19	.	...	Do. (B)	15	25	22	22	22
118	114	2▲	...	Do. pref.	....	(— bid 121 asked)			
6½	4	.	...	Can. Bakeries	....	(4 bid 8 asked)			
73	57	.	...	Do. pref.	35	65½	63	62	62
211	183	8	4.2	Can. Bk. Com.	196	193	190	190	190
4	2½	.	...	Can. Breweries	1009	2½	2½	2½	2¾
21½	14½	2	10.5	Do. pref.	1687	19¾	21	18¾	19¾
61½	46¾	1.50+75c.		Can. Bronze	105	47	47	47	47
110	104	5	4.6	Do. pref.	....	(109 bid — asked)			
9½	7½	.	...	Can. Canners	352	8¾	8¾	8½	8½
20½	18½	1	...	Do. 1st pfd.	165	19¾	19½	19	19½
12½	10	15c	...	Do. 2nd pfd.	1152	11½	11¾	11	11
21½	13½	.	...	Can. Car. & F'y	2025	15½	15½	14½	14½
32	23	.	...	Do. pref.	7196	26½	26¾	25	25½
31	24	1.60	6.6	Can. Celanese	191	25½	24¾	24	24
126	120	7	5.8	Do. pref.	25	120	120	120	120
22	21	.	...	Do. rights	....	(21 bid — asked)			
32	27	2	7.3	Can. Convert.	10	28	27½	27½	27½
80	65½	4	5	Can. Cottons	....	(83½ bid — asked)			
108	105	6	5.6	Do. pref.	....	(108 bid — asked)			
47	38	2+1	6.9	Can. Dredge	100	43½	43	40½	42
101	101	6	5.9	Can. Fairb. p.	....	(101½ bid — asked)			
33	23	1.60+40c		Can. For. Inv.	65	25	25	25	25
107	105	8	7.6	Do. pref.	....	(105 bid — asked)			
240	203½	6	2.9	Can. Gen. Elec.	5	203½	203½	203½	203½
12	9¾	50c	...	Can. G. Inv.	50	10½	9¾	9¾	9¾
84	71	.	...	Can. Hyd. E. p.	609	76½	79	76	78
8½	4½	.	...	Can. Ind. Alc.	3610	5½	5½	5½	5½
7¾	4	.	...	Do. (B)	1800	4½	4½	4½	4½
249	235	3.50		Can. Indust. B.	....	(239 bid 240 asked)			
160	153	7		Do. pref.	....	(159 bid 161 asked)			
5	2	.	...	Can. Int. I. Tr.	259	3	2½	2	2
99	93	3.75		Do. pref.	....	(— bid 97 asked)			
21	17	1	5.9	Can. Lt. & Pr.	....	(16½ bid 20 asked)			
23½	12	.	...	Can. Locomo.	90	13½	13½	13½	13½
3¾	1½	.	...	Can. Marconi	3045	1¾	1¾	1½	1¾
19	11	50c	4.2	Can. Oil	20	12	12	12	12
135	115	8	6.8	Do. pref.	20	118	118	118	118
17½	12	.	...	Can. Pacific	5979	12½	13¾	12	12¾
7¾	3	.	...	C. Pr. & Pa. In.	....	(— bid 2¾ asked)			
27½	18	.	...	Do. pref.	....	(— bid 19 asked)			
16	7½	.	...	Can. Vickers	140	7½	7½	7½	7½
65	41	.	...	Do. pref.	....	(— bid 42 asked)			
25	25	1	...	C. Wallpaper, A	....	(— bid 24½ asked)			
27½	24	1	...	Do. (B)	....	(— bid 25 asked)			
66	66	2	3	Can. West'ho'se	....	(— bid 67 asked)			
4	1½	.	...	Can. Wineries	50	1¾	1¾	1¾	1¾
25	22	2.12½	...	Can. Wire Box.	185	23	24	22½	22½
9½	6½	.	...	Capital Estates	337	7¾	7	6½	7
107	100	5	4.9	Carnation, pfd.	5	103	100¾	100¾	100¾
11½	6¾	25c	...	Catelli Food	....	(— bid 8 asked)			
11½	10	38c	...	Do. pref.	....	(— bid 12 asked)			
3	1½	.	...	Celtic Knit.	....	(1½ bid — asked)			
175	175	8	4.6	Cent. Can. L'n.	23	..	175	175	175
1.44	.70	.	...	Chem. Research	610	.80	.80	.70	.80
2.50	.70	.	...	City Gas & El.	....	(.80 bid 1.00 asked)			
.80	.30	.	...	Claude Neon	520	.35	.35	.30	.35
14½	12½	1.08	8	Coast Brew.	....	(13½ bid 13½ asked)			
22½	14½	.	...	Cockshutt Plow	840	17	17	15½	17
4	1¾	.	...	Comm. Alcohol.	450	1¾	1¾	1¾	1¾
4¾	3½	.	...	Do. pref.	410	4½	4	4	4
23	20	$1+20c		Cons. Bakeries	342	20½	20¾	20	20½
24½	10½	.	...	Cons. Paper	6884	17	17	16	16¾
22	12½	25c	...	Cons. Press	60	21	20½	19½	19½
60	47	.	...	Cons. Sand. pf.	....	(47 bid 65 asked)			
100½	72	50c+$1		Cons. Smelters	3582	75½	78	74½	76½
211	201	10	4.9	Consumers' Gas	96	202½	202½	202	202
95½	89	7	7.6	Corr. P. Box, p.	10	95	92	92	92
27½	22	1	4.1	Cosmos Imp.	12	24	24¾	24½	24½
105½	103½	5	4.8	Do. pref.	....	(105 bid — asked)			
22	18	80c	4	Crown Cork	60	20	20	20	20
2½	1½	.	...	Crown Dom. Oil	....	(2 bid 2½ asked)			
50	40	3	...	Crow's N. Coal	100	45	45	45	45
				D					
5¾	4	.	...	David & Fre. A	....	(3½ bid — asked)			
†1.25	.50	.	...	Do. (B)	....	(.15 bid 1.00 asked)			
22½	15	.	...	De Havilland	....	(— bid 18 asked)			
82	67	.	...	Do. pref.	....	(65 bid 80 asked)			
10	5	.	...	Disher Steel	....	(3½ bid 9 asked)			
18¾	15½	.	...	Do. pref.	....	(11 bid 16½ asked)			
29	20	.	...	Distill.-Seagram	2870	21½	21¾	20¾	20¾
94½	92½	5	5.4	Do. pref.	....	(— bid 99½ asked)			
..	..	.	...	Dom. Ang. Inv.	....	(90 bid — asked)			
95	95	5+1.25▲	.	Do. pref.	....	(90 bid — asked)			
250	220½	10	4.5	Dom. Bank	46	220½	230	220½	220½
56½	47	1.20	2.5	Dom. Bridge	576	49	49	47¾	48½
24	19	1.50	7.5	Dom. Coal, pf.	50	20	20	19½	20
73	59	.	...	Dom. Engineer	75	60	60	59½	59½
37½	29	25c	...	Dom. Foundries	251	35	34	33	34
99	99	6	6.1	Do. pref.	....	(— bid — asked)			
116	110	5	4.5	Dom. Glass	20	110	110	110	110
153	140	7	5	Do. pref.	35	140	140	140	140
.10	.10	.	...	Dom. Motors	....	(— bid .10 asked)			
43½	40	.	...	Dom. Oilcloth	....	(39 bid — asked)			
105	105	7	6.7	Dom. Rubber, p.	....	(99 bid — asked)			
5	4	.	...	Dom. Scot. Inv.	....	(— bid 3½ asked)			
44	35	2	...	Do. pref.	....	(35 bid 43 asked)			
23¾	12½	.	...	Dom. St. & C.B.	6194	18	18½	17	17¾
12¾	8½	.	...	Dom. Stores	1370	9½	9¾	9½	9½
16½	12¾	.	...	Dom. Tar & Ch.	235	13	12½	12½	12
117	107	1.37½	...	Do. pref.	10	108	108	108	108
85	73	5	6.3	Dom. Textile	200	80	80	79	79
149	142	7	4.8	Do. pref.	4	143½	145	143	143
19½	13½	.	...	Donnacona P.A.	1340	16½	16	15½	15½
19	13½	.	...	Do. (B)	645	16½	16	15½	15½
20	13½	.	...	Dryden Paper	155	16½	15¾	15	15½
				E					
7	2	.	...	East. Koot. Pr.	....	(2 bid — asked)			
26	12	.	...	Do. pref.	....	(13 bid — asked)			
5	2½	.	...	East. Dairies	85	2½	2½	2½	2½
20	10	.	...	Do. pref.	80	10	11	10	10
24	18½	.	...	East. Steel	15	18½	18½	18½	18½
110	106	7	6.4	Do. pref.	....	(107 bid 112 asked)			
60	60	7	11.7	East. Theat. pf.	....	(60 bid 64 asked)			
9½	4¾	.	...	Easy Washing	5	6	5½	5½	5½
39	34	1.37½	...	Economic Inv.	....	(35 bid 39 asked)			
24	17½	1.60+10c.		Electrolux	50	18	18	18	18
8½	4½	.	...	Enam. & Heat.	55	5	5½	5	5
37	30	.	...	English Electric	245	32½	32	30	32
16¾	10	.	...	Do. (B)	125	10	10	10	10
7	5½	.	...	Equitable Life	17	5¾	5¾	5¾	5¾
10½	9½	30c	...	European El. A.	....	(— bid 9½ asked)			
.65	.65	.	...	Do. Warrants	....	(5 bid — asked)			
				F					
13	8½	.	...	Fairchild Air	405	9½	9	8½	8¾
35	24	.	...	Fam. Players	....	(— bid 29 asked)			
34	25	.	...	Do. Vot. Tr.	....	(25 bid — asked)			
24½	19	25c	...	Fanny Farmer	960	20½	20½	19¾	20
29¾	21¾	1	4.4	Ford Motors A.	3167	22½	22½	21¾	22
2¾	1	.	...	For. Pr. Secs.	5	1¾	1	1	1
31	23	.	...	Foundation Co.	525	25	25	23½	25
50	29	.	...	Fraser Cos.	445	45	44	42½	43
50	29½	.	...	Do. Vot. Tr.	2090	44½	45½	43	43½
52	44	.	...	Freiman, pf.	25	44	45	45	45
11	6	.	...	Frost Steel	15	6	6	6	6
107	100½	7	6.8	Do. pref.	50	102½	103	102½	102½
48	40	.	...	Do. pref. A.	....	(45½ bid — asked)			
				G					
18½	8	.	...	Gen. St. Wares	645	12½	12	11½	11½
110	76	.	...	Do. pref.	6	90	89	89	89
92½	82	2.50+2.50		Goodyear Tire	65	89	89	89	89
57	53	2.50	4.6	Do. pref.	81	54½	54¾	54½	54½
26¾	13½	.	...	Gt. Lakes Pap.	479	18½	18¾	17	18
51	33	.	...	Do. pref.	450	42	41½	37	39
3½	1¾	.	...	Gt. W. Saddlery	....	(1½ bid 2½ asked)			
40	29½	.	...	Do. pref.	30	35	30	30	30
15½	7½	20c	...	Gurd, Chas.	95	10	9½	9½	9½
105	95	7	6.7	Do. pref.	....	(100 bid — asked)			
18½	11¾	.	...	Gypsum, Lime	1635	12½	12¾	11½	12
				H					
18½	12½	.	...	Ham. Bridge	90	13	13	12½	12¾
90½	63	.	...	Do. pref.	10	75	80	80	80
40½	30	2+50c▲	6.3	Ham. Cot., pf.	....	(31½ bid 35 asked)			
3¾	2	.	...	Ham. U. Theat.	....	(1¾ bid — asked)			
69	58¾	5	...	Do. pref.	....	(60 bid 65 asked)			
7	4½	20c	...	Harding Carpet	580	5	5	4¾	5
5	5	.	...	Hillcrest Coll.	....	(2½ bid — asked)			
25	15	.	...	Do. pref.	....	(20 bid — asked)			
22½	19	1	4.9	Hinde & Dauch	265	20	20½	19	19
18	14	.	...	Holt Renfrew	5	18	14	14	14
74	56	.	...	Do. pref.	1	73½	65	65	65
1.75	.50	.	...	Honey Dew	600	.60	.60	.55	.55
15	12	.	...	Do. pref.	....	(7 bid 14 asked)			
34½	18½	.	...	H. Smith Pap.	390	29	29	28¾	28½
105	99½	6	5.8	Do. pref.	10	103	103	103	103
32¾	28	2	7.2	Humberstone S.	30	28	28	28	28
19	11¾	.	...	Hunts (A)	85	13	13	12	12½
18	12	.	...	Do. (B)	5	13	12½	12½	12½
95	72	5	5.5	Huron & E. Mt.	65	93	91	90½	91
15½	11	.	...	Do. 20% pd.	....	(13 bid 14½ asked)			
13½	8½	20c	...	Hydro Electric	....	(7½ bid 8½ asked)			
				I					
251½	220	10	4.5	Imperial Bank	20	225	222	220	220
24¾	20	50+70c	6.2	Imperial Oil	7626	20½	20½	20½	20½
15½	13¾	40+22½c		Imperial Tob.	1013	14½	14½	14¼	14½
7¾	7	6%		Do. pref.	....	(7 bid — asked)			
38¾	33	1.50	4.2	Indust. Accept.	150	36	36	35¾	35¾
39½	34	1		Inter-City Bak.	....	(32 bid 35 asked)			
46	37½	5+2		Inter'c Coal	65	45	41	40	40½
130	130	8	6.2	Do. pref.	....	(130 Mar. 10)			
†.20	.20	.	...	Int. Coal & C.	....	(.10 bid — asked)			
b16½	8¾	.	...	Int. Hyd. E. A.	4800	10¾	11	10½	10½
18¾	11	.	...	Int. Metal Ind.	365	13	13½	12¾	13
108	90½	.	...	Do. pref.	100	95	98	96	96
105	98	5	5	Int. Mill., pf.	86	101¾	100	99	99
73½	54	2	3.4	Int. Nickel	18138	57¾	59½	56½	58
11	6	.	...	Int. Paints	....	(— bid 6½ asked)			
20	18	75c	...	Do. pref.	10	18½	18	18	18
b24¾	16½	.	...	Int. Pa. & P. A.	1700	17¾	18½	17	17
b18	10½	.	...	Do. (B)	1200	12½	13	12	12
b9½	5¾	.	...	Do. (C)	4200	6½	6¾	6½	6½
b121¾	90½	.	...	Do. pref.	6900	101½	104½	99½	99½
39¾	33½	1.50+1	7.2	Int. Pete.	6009	34½	34¾	34	34½
12½	5	.	...	Int. Power	15	5	5	5	5
98	88	6	6.7	Do. pref.	5	89	89	89	89
†15½	13	1.12		Int. St. Rly. A.	....	(— bid 14½ asked)			
21½	15½	.	...	Int. Util. (A)	60	15½	15½	15½	15½
3.12	1.00	.	...	Do. (B)	2642	1.30	1.35	1.00	1.25
				J					
38	34½	1.75	4.7	Jam. Pub. Ser.	100	37½	37½	37½	37½
132	130	7	5.4	Do. pref.	....	(130 bid — asked)			
				K					
39	26	.	...	Kelvinator	55	27	26	26	26
108	106½	7	6.6	Do. pref.	....	106½ bid 107 asked			
				L					
43½	28	.	...	Lake of Woods	223	31	31	28	29
156	143	7	4.6	Do. pref.	....	(— bid 155 asked)			
75	55½	5	7.3	Landed Bank	....	(— bid 70 asked)			
22	15½	70c	3.9	Lang, J. A.	400	18½	18½	18	18
6	4½	.	...	Langley's	....	(— bid 5 asked)			
65	50	.	...	Do. pref.	....	(47 bid 55 asked)			
77	66	3	4.2	Laura Secord	45	66	72	70	72
15	8	.	...	Lindsay, C. W.	750	8	8	8	8
78	66	.	...	Do. pref.	27	70	73	66	66
25¾	23	1+12½c	.	Loblaw (A)	748	24¾	24¾	24½	24¾
23	21	1+12½c	.	Do. (B)	660	22½	22½	21¾	22½
				M					
1.80	1.25	.	...	Mackenzie Air	250	1.25	1.25	1.25	1.25
†10½	2¾	.	...	MacKin. Steel	....	(— bid 9 asked)			
64	60	.	...	Do. pref.	....	(— bid 70 asked)			
37½	27	.	...	Maclaren Pr. p.	1210	31¾	32½	29½	32½
3	2	.	...	M. L. Gardens	....	(2½ bid 4 asked)			
5	2½	.	...	Do. pref	....	(2½ bid 4½ asked)			
11	4	.	...	Maple Leaf	330	5	5½	5½	5½
12¾	5	.	...	Do. pref.	245	7	7	6½	6½
17	15½	60+10c.		Maritime Tele.	2	17	15½	15½	15½
16¾	16	70c	4.4	Do. pref.	32	16¾	16½	16	16
†18	13	.	...	Marcus Loew's	....	(— bid 20 asked)			
125	120	5.25▲	...	Do. pref.	....	(120 bid — asked)			
16¾	8½	.	...	Massey-Harris	2430	12½	12½	11¾	11¾
74	52½	.	...	Do. pref.	645	66½	66	62½	64½
15	8½	40c	4	McColl Fron.	2825	9½	10½	9½	10
101	88	6	6.7	Do. pref.	145	90	90	88¾	90
8	1½	.	...	Melchers	60	2	1½	1½	1½
9½	6½	30c	...	Do. pref.	171	6¾	6½	6½	6½
2	1½	.	...	Mercury Mills	2	1½	2	2	2
40	20	.	...	Do. pref.	60	33	33	33	33
50	49	2	...	Mitchell, J. S.	....	(50 bid — asked)			
†110	110	7	...	Do. pref.	....	(111 bid — asked)			
30	19	.	...	Mitchell, Robt.	185	20½	20½	19½	20½
5½	4½	.	...	Monarch Knit.	....	(4½ bid — asked)			
86	60	7	11.7	Do. pref.	....	(— bid 64 asked)			
48	36	50c	...	Montreal Cot.	5	47½	47½	47½	47½
110	105	7	6.7	Do. pref.	328	105	106	105	105
1½	1	.	...	Mont. Is. Pr.	....	(1½ bid 3 asked)			
37½	29	1.50	5	Mont. L. & Pr.	2739	30½	30½	29½	29¾
31	28	2	6.4	Montreal Loan	....	(30 bid — asked)			
17	13	1	...	Mtl. Refrig., pf.	....	(16¾ bid — asked)			
2	1¾	.	...	Do. Vot. Tr.	....	(2 bid — asked)			
65	58	3.20	5.5	Montreal Tele.	7	62	58	58	58
102	80	9	10.3	Montreal Trams	27	85	87	85	86
45	41	1.60	3.7	Moore Corp.	650	43	43	42½	43
190	177	7	3.9	Do. pref. (A)	29	180	179	177	177
267	250	7	2.8	Do. pref. (B)	5	253	250	250	250
1.25	1.00	.	...	Muirheads	....	(.65 bid .85 asked)			
5½	5	.	...	Do. pref.	90	5	5½	5½	5½
				N					
42½	37¾	2	5.1	Nat. Breweries	698	39¾	39¾	39	39
43½	39	1.75	4.4	Do. pref.	100	40	39½	39½	39½
11	8½	.	...	Nat. Grocers	590	9½	9½	9	9
140	135	7+3.50▲		Do. pref.	....	(136 bid 140 asked)			
21½	17	.	...	N. Sew. Pipe A	12	18	18½	17	17
57½	39¾	.	...	Nat. Steel Car	530	49½	49½	48½	49
210	201	8	4	National Tr.	4	205	201	201	201
54	40	2	4.5	Niag. W. Weav.	11	43	44	43	44
4	1	.	...	North Star Oil	....	(2½ bid 2½ asked)			
4¾	3¾	35c▲		Do. pref.	....	(3½ bid 3¾ asked)			
97½	96	5	5.2	N. S. L. & Pr.	....	(— bid 96 asked)			
105	97½	6	5.8	Do. pref.	....	(103½ bid — asked)			
37	9¾	.	...	N S Steel, pf.	....	(— bid 20 asked)			
				O					
300	235	8	3.2	Ogilvie Flour	35	248	250	241	250
168	150	7	4.5	Do. pref.	5	155	155	155	155
112	106	5	4.6	Ontario Loan	....	106½ bid 109 asked			
7½	4	.		Ont. Silknit	....	(— bid 8 asked)			
71	64	7	10.9	Do. pref.	....	(— bid 59½ asked)			
18¾	15	.		Ont. Steel	....	(13½ bid 16 asked)			
115	114	7+5½▲	6	Do. pref.	....	(107 bid — asked)			
3½	2	.		Orange Crush	10	2	2	2	2
10	5½	.		Do. pref.	49	6½	6½	6	6½
100	88	6	6.7	Ott. L. H. & Pr.	10	89	89	89	89
105	102	5	4.9	Do. pref.	25	102	102	102	102
23½	19½	2	8.7	Ott. Traction	25	22½	23	22½	23
				P					
109½	98	2.75+25c.		Page-Hersey	160	103½	103½	102	102
9¾	5¾	.		Pantepec Oil	1600	8	8½	7¾	8½
20	15	.		Paton Mfg.	....	(10 bid 24 asked)			
†110	100	7		Do. pref.	....	(110 Nov. 7, '36)			
63¾	58	3	4.9	Penmans	40	60	62	60	60
130	125	6	4.8	Do. pref.	....	(— bid 125 asked)			
26½	21	1	4.3	Photo Eng.	....	(23 bid 24½ asked)			
102	96	7	6.9	Porto Rico Pr. p	8	100	101½	98	98
33¾	18½	25c		Power Corp.	1452	20½	20	18½	19½
108	100	6	6	Do. pref.	25	100	101	100	100
3¼	2½	.		Prairie C. Oil	10	2½	2¾	2¾	2¾
36	28	1		Pressed Metals	....	(— bid 29¾ asked)			
53	25	.		Price Bros.	3036	40	41½	39	39
79	64½	.		Do. pref.	190	67	68	65	68
				Q					
23¾	17	1	5.7	Quebec Power	230	18¾	17¾	17½	17½
4¾	4	.	...	Que. Telephone	85	4½	4½	4½	4¾
				R					
58	40	2	5	Real Estate L'n.	....	(— bid 90 asked)			
11	8	.		Regent Knit	110	10½	10	10	10
23½	19	1.60	7	Do. pref.	45	23½	23	23	23
4	2½	.		Reinhardt Brew.	....	(1 bid 3¾ asked)			
14½	8	.		Reliance Grain	....	(— bid 13 asked)			
29½	22	60+15c▲		Remington R'd.	....	(— bid 22 asked)			
32	30½	2	6.4	River S. Mills	....	(31½ bid 31½ asked)			
8½	5½	.		Rogers Majest.	100	6	5½	5½	5½
31	26	1		Rolland Pap.	....	(— bid 30 asked)			
23	23	.		Do. Vot. Trust	25	29	28	28	28
106½	102¾	6	5.7	Do. pref.	....	(104 bid — asked)			
11¾	11¾	25c		Root Petroleum	....	(— bid 10 asked)			
227	198	8	3.9	Royal Bank	235	204	206	202	202
78	58	2.75		Russell Motor	....	(70 bid — asked)			
118	110	7	6.2	Do. pref.	7	116	112	112	112
				S					
103½	98½	5.50	5.3	Saguenay Pr. p.	135	102½	103½	102¾	103½
22	13	.	...	Sarnia Br. (A)	....	(13 bid 16 asked)			
16	7	.	...	Do. (B)	....	(7 bid 8 asked)			
34	25½	80c	2.9	Shawinigan Pr.	1625	27½	27½	26½	26½
30	23	.	...	Sher. Wms.	255	24	24½	23¾	24
131	126½	7	5.5	Do. pref.	3	127	126½	126½	126½
16	14	.	...	Simon & Son	....	(13½ bid 15 asked)			
103½	100	7	6.9	Do. pref.	....	(100 bid 104 asked)			
110	95	5	5.2	Simpson, pf.	109	97½	96½	95	96
38	20	.	...	Do. (A)	....	(25 bid 25½ asked)			
17	6½	.	...	Do. (B)	12	6½	7½	7½	7½
122	109	6	5.2	Simpson, R., pf.	....	(117 bid 120 asked)			
18½	13	80c	6.2	So. Can. Pr.	145	13½	13½	13	13
108	104	6	5.7	Do. pref.	10	105	105	105	105
15½	8½	.	...	St. Law. Corp.	2560	12	12	11½	12
39¾	25	.	...	Do. (A)	1630	33½	33½	32½	33
25	22	1	4	St. Law. Flour	25	25	25	25	25
145	140	7	5	Do. pref.	150	140	140	140	140
97	68	.	...	St. Law. Pap. p	517	87	89	85	89
15½	10	.	...	Stand. Chem.	10	14	14	14	14
14½	8	.	...	Stand. Clay	....	(5 bid — asked)			
9½	4¾	.	...	St. Pav. & Mat.	480	4½	6	4½	4¾
56	30	.	...	Do. pref.	5	31	30	30	30
49½	40	3+75c▲	.	Stand. Steel, p.	10	45	40	40	40
96½	73	1.75‡	2.2	Steel of Can.	451	79	79	77	79
88½	71	1.75	2.4	Do. pref.	265	72½	74	72	72
5	3½	.	...	Sterling Coal	20	5	5	5	5
3½	1	.	...	Stop & Shop	....	(1 bid 2 asked)			
17	15½	80c	5	Stuart, D. A., pf	....	(— bid 16 asked)			
3¾	3	.	...	Supersilk H.	....	(— bid 16 asked)			
85	80	2.50	...	Do. pref.	....	(1 bid — asked)			
39	33½	1+25c	3.5	Sup. Pete. ord.	40	34	36	36	36
36	33	1+25c	3.5	Do. com.	....	(34 bid 49 asked)			
				T					
16¾	15¾	80c	4.9	Tamblyn	80	16½	16½	16½	16½
54	52	2.50	4.7	Do. pref.	25	52	53½	53	53
2½	1¾	.	...	Thayers	100	2	2	2	2
25	26½	2.50	...	Do. pref.	50	17	16½	16½	16½
2	1	.	...	Thrift Stores	....	(— bid 1½ asked)			
8	6	.	...	Do. pref.	....	(— bid 7½ asked)			
14	10	60c	...	Tip Top Tailors	3	12	11	11	11
110	104	7	6.4	Do. pref.	32	108½	108½	108½	108½
5	2	.	...	Tooke Bros	....	(— bid 1½ asked)			
34¾	20	.	...	Do. pref.	....	(— bid 7½ asked)			
46	35½	1	2.7	Tor. Elevators	312	37½	36½	35½	36½
52	47	66c	...	Do. pref.	20	50½	50½	50	50
110	88½	4	4	Tor. Gen. Tr.	39	101	100	99¾	100
126	120	6	4.8	Toronto Mtge	....	(123½ bid — asked)			
160	150	7	4.6	Tuckett Tob. p.	....	(151 bid — asked)			
18	9¾	.	...	Twin City	....	(— bid 12 asked)			
				U					
19	13	27½c	...	Union Gas	850	13	14	13	13¾
28	20	60c	...	Un. Amuse. A	....	(22¾ bid — asked)			
27	24	60c	...	Do. (B)	....	(— bid 30 asked)			
1.15	65	.	...	United Distill.	....	(.80 bid — asked)			
63½	46	.	...	United Fuel, pf.	60	46	46	46	46
25	15½	2	11.7	United Secs.	50	17	17	16	16
11½	6	.	...	United Steel	3620	6¾	7½	6	7½
				V					
8	2	.	...	Viau Bisc.	....	(— bid 2 asked)			
60	50	5	10	Do. pref.	5	50	50	50	50
				W					
35	20	1+25c	3.8	Wabasso Cot.	116	33	33	32½	32½
49½	42	2	4.3	Walker-Good.	2925	47½	47½	45½	46½
20	16½	1	5.2	Do. pref.	569	19½	19½	18¾	19
3½	1½	.	...	Walkerville Br.	510	2	2½	1½	1½
5	2	.	...	Waterloo Mfg.	340	2½	2¾	2	2¾
12	5	.	...	West. C. Flour	100	7½	5½	5	5½
90	55	.	...	Do. pref.	26	60	61	55	55
71	65	3	4.3	West. Grocers	....	(70½ bid — asked)			
125	115½	7	5.9	Do. pref.	35	118	117½	117½	117½
18½	14½	60+10c.	.	Weston Ltd.	325	14¾	14½	14½	14½
106½	99	5	5	Do. pref.	....	(99¾ bid 100 asked)			
8	4	.	...	Windsor Hotel	....	(— bid 6½ asked)			
23	11	.	...	Do. pref.	....	(9 bid 16 asked)			
10½	3½	.	...	Winnipeg El. A	1611	4	4	3½	3½
10	3	.	...	Do. (B)	643	4	3½	3	3½
44	24	.	...	Do. pref.	15	25	25	24	24
75	53	.	...	Wood, A. & J. p	....	(62 bid 75 asked)			
85	70	.	...	Woods Mfg. pf.	....	(50 bid 75 asked)			
				Z					
7½	3¾	.	...	Zimmerknit, c.	10	7	6½	6½	6½
98	92	*10.50	..	Do. pref.	....	(96½ bid 110 asked)			

† 1936.
▲ On account of arrears. b New York quotations.
‡ Plus extra of $2 paid Feb. 1, 1937.
• Plus stock bonus of 1% paid Jan. 2, and 1% Mar. 26, 1937.
* Includes $3.50 on arrears, due Aug. 1, 1936.

Mining Stock Quotations

WEEK ENDING JUNE 26, 1937

Par Val.	Range 1937 High	Low	Company	Sales	Close June 21 (or last)	High for week	Low for week	Close June 26
1	.10½	.03	Afton	4,500	.04	.03½	.03	.03½
No	1.90	.73	Aldermac	85,250	.96	1.07	.73	1.00
1	.04¾	.01½	Alexandria	16,200	.02	.02½	.01½	.02½
No	8.75	5.00	Anglo-Huronian	2,675	5.50	6.00	5.00	6.00
1	1.42	.36	Argosy	25,044	.40	.45	.36	.36
1	1.42	.37	Arntfield	5,900	.40	.40	.38	.40
No	.09	.03	Arno	3,500	.03½	.03	.03	.03
1	.15	.07½	Ashley	......	(.07½ bid .08½ asked)			
1	.27	.06½	Astoria Rouyn	35,306	.08	.10	.06½	.09½
50c.	.16	.07	Astec	900	.08	.09	.08	.09
1	.36	.17	Bagamac	7,315	.25	.20	.17	.20
1	1.85	.64	Bankfield	27,719	.77	.80	.64	.80
1	.01½	.01	Barry Hollinger	......	(.... bid .01½ asked)			
1	.65	.25	Base Metals	15,350	.30½	.30½	.25	.30
No	1.75	1.00	Beattie Gold	6,000	1.20	1.21	1.10	1.13
1	.65	.20	Beaufor	3,200	.30	.30	.20	.30
1	1.70	.38	Bidgood Kirk.	61,586	.43	.46	.38	.43
1	.72	.40	Big Missouri	7,375	.41	.45	.40	.45
1	.29	.12	Bobjo	7,950	.15	.15	.12	.12
1	1.14	.26	Bouscadillac G.M.	19,300	.30	.35	.26	.35
No	9.00	6.40	Bralorne	2,428	7.00	7.10	6.70	6.95
1	.15	.06	Brazil Gold	100	.06	.07	.07	.07
1	.21	.07½	Brett Trethewey	10,750	.08	.08	.07½	.07½
1	.13	.03	Brownlee	3,700	.04½	.05	.03½	.05
1	12.50	8.25	Buffalo Ankerite	3,750	9.15	9.15	8.50	9.10
No	.06½	.02	Buffalo Can.	7,500	.03	.03½	.02	.03½
5	30.00	23.50	Bulolo Gold	350	23.50	25.00	23.50	25.00
No	.23	.10	Bunker Hill	3,300	.13½	.12	.11	.11
No	2.30	.87	Can. Malartic	36,308	1.09	1.12	.87	1.08
1	1.75	1.45	Cariboo Gold	450	1.45	1.50	1.45	1.50
1	.47½	.15	Cartier Malartic	14,100	.18	.20	.15	.18
1	1.66	.91	Castle Trethewey	6,200	.96	1.00	.91	1.00
1	.65	.25	Cent. Cadillac	4,900	.33	.34	.25	.32
1	.31	.05	Cen. Manitoba	17,500	.05½	.05½	.05	.05½
1	5.25	2.10	Cen. Patricia	66,856	2.65	2.79	2.10	2.70
1	.43	.09	Cen. Porcupine	25,200	.12½	.12	.09	.10½
No	1.47	.60	Chromium	13,275	.78	.80	.70	.75
No	.06	.03	Church M. & Mill.	1,000	.03½	.03	.03	.03
5	10.00	3.00	Coast Copper	300	4.00	3.25	3.00	3.25
1	.03½	.01	Cobalt Contact	12,000	.01½	.01½	.01	.01½
5	3.50	2.00	Coniagas	......	(2.00 bid 2.75 asked)			
No	2.14	1.00	Coniaurum	6,375	1.10	1.20	1.00	1.00
1	2.70	.92	Con. Chibougamau	30,985	1.08	1.08	1.92	1.07
25	100.50	72.00	Cons. Smelters	3,582	75.50	78.00	74.50	76.50
1	2.98	.31	Darkwater	22,800	.35	.55	.35	.48
No	51.12	38.25	Dome Mines	3,857	39.37	40.75	38.25	40.75
1	.15	.04	Dom. Explorers	6,500	.05	.05½	.04½	.04½
1	1.22	.40	Dorval Siscoe	14,990	.49	.50	.45	.48
1	.15	.05½	Duparquet	8,500	.07½	.07	.06	.07
1	2.05	.65	East Malartic	89,000	.79	1.00	.65	.90
1	3.65	2.10	Eldorado	29,790	2.50	2.50	2.15	2.45
No	12.87	7.00	Falconbridge	4,465	7.50	7.80	7.00	7.65
1	.54	.07	Federal	59,600	.10	.12	.07	.12
No	1.59	.50	Francoeur Gold	33,050	.70	.75	.50	.70
1	.30	.07½	Glenora	13,500	.09	.08	.07½	.08
1	.65	.29	Gillies Lake	39,300	.32	.38	.29	.33
No	1.02	.40	God's Lake	15,789	.47	.46½	.40	.46½
1	.30	.07	Golconda	500	.07	.07	.07	.07
1	.49	.18	Goldale	14,800	.20	.21	.18	.21
50c.	.39	.12	Gold Belt	......	(.20 bid .29 asked)			
1	.68	.30	Gold Eagle	6,650	.36	.35	.30	.35
1	.22	.08½	Goodfish	11,500	.10	.12	.09	.12
1	.63	.09	Graham Bousquet	15,500	.13	.13	.09	.13
1	.57	.15	Granada Gold	5,416	.20	.20	.15	.20
No	.18	.06½	Grandora	2,500	.08½	.07½	.07½	.07½
1	.18	.10	Grull Wihksne	......	(.... bid .10 asked)			
1	1.25	.55	Gunnar Gold	14,700	.66	.73	.60	.70
1	.07	.02	Halcrow Swayze	2,000	.03	.02½	.02	.02
1	3.44	1.00	Hard Rock	97,091	1.30	1.34	1.00	1.25
1	.35	.13	Harker	13,000	.13½	.13½	.13	.13
5	15.50	10.75	Hollinger	5,405	11.12	11.25	10.75	11.25
1	.72	.33	Howey Gold	12,275	.36½	.37	.33	.36
No	41.75	25.63	Hudson Bay	4,405	28.00	28.25	25.63	28.25
1	19.25	11.25	Inter. Mining	......	(12.00 May 7)			
No	73.25	54.00	Int. Nickel	18,138	57.37	59.50	56.12	58.00
1	.54	.25	Jacola	18,795	.37	.33	.25	.33
1	1.61	.50	Jackwaite	8,000	.65	.70	.50	.70½
1	2.15	.70	Jellicoe	94,765	.93	.95	.70	.96
1	.59	.18	J. M. Cons. Gold	18,030	.22	.24	.19	.22
1	3.30	1.99	Kerr Addison	73,240	2.35	2.45	1.99	2.35
1	.65	.50	Kerr Lake	......	(.35 bid .79 asked)			
1	.55	.20	Kirk. Gold Rand.	333	.20	.35	.25	.35
1	2.65	1.35	Kirk. Hud. Bay	4,900	1.75	1.73	1.49	1.68
1	1.70	.90	Kirkland Lake	110,075	1.23	1.30	1.03	1.23
1	.55	.19	Kirk. Townsite	17,300	.22	.22½	.19	.19
1	1.10	.45	Laguna	200	.50	.50	.45	.50
1	59.50	46.50	Lake Shore	5,442	48.75	49.00	48.00	48.50
1	.28	.04	Lamaque Contact	37,700	.05	.05½	.04½	.05
1	1.33	.58	Lapa Cadillac	21,600	.75	.74	.58	.70
1	1.05	.73	Lava Cap	5,300	.86½	.89	.84	.89
1	.30	.11½	Lebel Oro	29,150	.13	.14½	.11½	.14
1	.07½	.03	Lee Gold	10,600	.03	.03½	.03	.03½
1	1.35	.45	Leitch Gold	10,250	.51	.60	.45	.55
No	8.40	4.85	Little Long Lac	6,240	5.10	5.30	4.85	4.95
1	8.60	4.15	Macassa	41,762	4.65	5.20	4.15	5.10
1	1.26	.60	Madsen Red Lake	16,100	.66	.65	.60	.62
1	.04½	.01½	Malrobic	6,500	.01½	.02	.01½	.02
No	.69	.20	Mandy	8,500	.26	.26	.23	.23
No	.16	.02	Man. & Eastern	6,200	.02½	.02½	.02	.02½
1	.36	.11	Maralgo	6,475	.13	.13	.11	.13
1	.44	.02½	May Spiers	22,600	.03½	.03½	.02½	.03
5	42.25	32.75	McIntyre	2,170	34.25	34.75	34.00	34.75
1	2.03	1.00	McKenzie R.L.	32,175	1.11	1.20	1.00	1.20
1	.65	.55	McKinley	500	.65	.60	.60	.60
No	4.85	1.65	McLeod Cockshutt	40,203	1.95	2.05	1.65	1.95
No	1.21	.35	McWatters	15,128	.45	.45	.35	.45
1	.57	.17	McVittie	18,500	.33	.32	.27	.28
5	2.00	1.50	Mentor Exp. Dev.	......	(.... bid 2.00 asked)			
No	5.00	2.70	Mining Corp.	10,080	2.75	2.90	2.70	2.85
No	.33½	.11	Minto Mines	4,500	.15	.13	.11	.12
1	.08	.02½	Moffatt Hall	3,000	.03	.03	.03	.03
1	.88	.23	Morris Kirk.	14,050	.27	.25	.23	.23
1	1.97	.95	Moneta	55,110	1.25	1.32	.95	1.26
1	.45	.14	Montague	500	.15	.14	.14	.14
1	.10	.03	Murphy	11,000	.03½	.04	.03	.03½
1	1.05	.30	Naybob	7,800	.36	.38	.30	.35
No	.12	.03½	Newbec	2,500	.03½	.04	.03½	.04
1	1.49	.47	New Golden Rose	12,350	.50	.60	.50	.54
1	.05	.01½	Night Hawk Penn	2,000	.01½	.01½	.01½	.01½
5	3.60	2.35	Nipissing	2,975	2.50	2.50	2.40	2.40
No	83.00	54.50	Noranda	12,709	57.50	58.87	54.50	8.50
No	.95	.70	Nor. Canada	3,567	.72	.72	.60	.70
1	.16½	.05	Norgold	1,000	.05	.05	.05	.05
1	1.75	1.20	Normetal Mining	2,924	1.40	1.40	1.25	1.40
1	13.25	5.50	O'Brien	100,445	7.10	7.00	5.50	6.50
1	1.28	.45	Omega	40,820	.52	.58	.46	.53
1	2.20	.85	Oro Plata	7,575	1.00	.90	.85	.90
1	.30	.15	Osisko	......	(.10 bid .16 asked)			
No	4.05	1.90	Pamour	15,385	2.00	2.20	1.90	2.10
1	1.10	.30	Pandora	8,850	.50	.55	.30	.50
1	.42	.15	Parkhill	22,866	.16	.20	.15	.19
1	3.80	1.90	Pato Cons. G.	1,800	2.10	2.00	1.95	1.95
1	.41	.12	Partanen Gold	2,300	.15	.15	.12	.15
1	.06	.02	Pawnee Kirk.	8,000	.02½	.02	.02	.02
1	.46	.13	Paulore	9,800	.16	.16	.13	.13
1	1.38	.49	Paymaster	73,365	.52	.59	.49	.55
1	.34	.22	Payore	24,400	.28	.28	.22	.27
1	6.60	2.55	Pend Oreille	14,250	3.65	4.00	3.10	3.80
1	2.51	.70	Perron Gold	40,400	.83	.90	.70	.88
1	.03	.01½	Peterson Cobalt	4,000	.01½	.01½	.01½	.01½
1	9.20	4.90	Pickle Crow	32,295	5.80	5.85	4.90	5.75
1	6.85	3.65	Pioneer Gold B.C.	4,125	3.75	4.05	3.65	4.00
1	17.00	15.00	Placer Development	300	15.00	15.25	15.25	15.25
1	.11	.03½	Porcupine Crown	5,600	.03½	.04	.03½	.04
1	2.20	.75	Powell Rouyn	12,050	.92	.90	.75	.85
1	4.50	1.95	Premier Gold	8,270	2.00	2.40	1.95	2.30
1	1.47	.55	Preston E. Dome	44,120	.67	.80	.55	.79
No	1.55	1.10	Prospectors Air's.	600	1.40	1.40	1.40	1.40
1	.88	.40	Quebec Gold	900	.40	.45	.40	.40
No	.48	.08	Quemont	4,200	.08	.15	.08	.10
1	6.85	2.80	Read Authier	21,367	3.35	3.60	2.80	3.45
1	2.00	.41	Red Crest	13,955	.66	.78	.41	.77
1	1.78	.29	Red Lake	50,250	.30	.36	.29	.33
No	1.52	.70	Reeves McDonald	1,100	.80	.75	.70	.75
1	1.35	.72	Reno Gold	9,000	.76	.82	.74	.82
1	.22	.08	Reward	18,900	.10	.10	.08	.09
1	.16	.04	Ritchie	10,700	.04	.04½	.04	.04
1	.12½	.03½	Robb Montbray	4,100	.05	.04	.03½	.03½
1	.48½	.09	Roche Long Lac	36,600	.10	.10½	.09	.10
1	2.40	1.25	San Antonio	13,008	1.39	1.38	1.25	1.32
1	1.13	.35	Shawkey	34,950	.50	.51	.35	.50
50c.	.83	.57	Sheep Creek	......	(.75 bid .80 asked)			
1	4.00	1.80	Sherritt Gordon	37,781	2.35	2.50	2.00	2.35
1	6.65	3.05	Siscoe	37,780	3.60	3.70	3.05	3.60
1	2.50	.76	Sladen Malartic	90,000	.87	1.07	.76	1.02
1	2.50	.50	Slave Lake	13,600	.70	.90	.50	.85
No	.05½	.01½	South Tiblemont	......	(.01½ bid .02½ asked)			
No	2.90	.90	Stadacona	1,439,955	1.35	1.36	.90	1.15
1	.32	.12	St. Anthony	12,200	.14	.15	.12	.14
No	6.90	3.00	Sudbury Basin	3,010	3.25	3.50	3.00	3.45
1	.40½	.15	Sudbury Contact	12,400	.18	.19	.15	.19
1	2.25	1.00	Sullivan Cons.	42,750	1.18	1.23	1.00	1.15
1	4.80	2.70	Sylvanite	16,020	3.10	3.05	2.75	2.95
1	.29	.06	Tashota	14,800	.08	.07	.06	.07
1	6.10	4.55	Teck Hughes	6,863	4.85	4.85	4.55	4.85
1	2.15	.47	Thomp Cadillac	36,495	.60	.58	.47	.58
1	.65	.20	Temiskaming	19,400	.28	.29	.26	.27
1	4.60	1.85	Toburn Gold	4,125	2.25	2.22	1.85	2.15
1	2.00	.73	Towagmac	11,950	.95	1.00	.73	.99
1	2.60	.40	Treadwell	500	.50	.40	.40	.40
1	.75	.50	Uchi Gold	13,400	.60	.75	.58	.70
No	9.10	6.00	Ventures	5,413	6.75	7.00	6.00	7.00
No	4.65	2.10	Waite Amulet	10,055	2.60	2.85	2.10	2.75
No	.05	.02	White Eagle	3,300	.02	.02½	.02	.02½
1	.30	.10	Whitewater	1,000	.10	.10	.10	.10
1	.17	.04	Wiltsey Coghlan	5,000	.04½	.04½	.04	.04½
1	.77	.30	Wood Cadillac	31,700	.36	.35	.30	.35
No	8.20	5.85	Wright-Hargreaves	16,000	5.95	6.05	5.85	6.00
No	.53	.20	Ymir Girl	4,250	.22	.22	.20	.22
			OIL STOCKS					
No	.22	.10	Acme Gas & Oil	17,700	.12½	.12½	.12	.12
1	.64	.07½	Anaconda	2,300	.15	.19	.17	.19
1	.57	.29	Ajax	800	.38	.38	.38	.38
1	.95	.29	Alta. Pac. Cons.	5,890	.50	.48	.43	.45
1	1.10	.20	British Dominion	2,900	.42	.40	.33	.35
No	.65	.52	Brown Oil	14,950	.57	.60	.52	.60
No	6.55	2.00	Calgary & Ed.	27,190	3.35	3.35	2.95	3.35
1	1.75	.40	Calmont	28,670	.89	.90	.75	.90
No	.95	.24	Common Pete	6,750	.45	.43	.37½	.42
No	3.60	.55	Dalhousie	24,156	1.10	1.14	.90	1.10
No	.45	.10	East Crest	9,500	.18½	.18	.15½	.16
No	3.35	.90	Foothills	10,250	1.46	1.45	1.15	1.45
No	1.20	.20½	Foundation Pete.	45,500	.49	.59	.44	.59
No	.39	.16	Hargal	3,300	.24	.24	.22	.24
No	.90	.15	High Sarcee	9,310	.32	.31	.28	.29
No	4.05	1.35	Home	31,985	2.40	2.45	2.00	2.38
1	.87	.31	Homestead O.&G.	19,500	.46	.43	.39	.41½
No	.70	.50	Hunter Valley	......	(1.50 May 19)			
No	.16	.15	Do warrants	......	(.15 May 26)			
No	.90	.20	Lowery	1,500	.35	.34	.30	.30
No	.63	.26	Mercury	20,550	.42	.42	.37	.41
No	.44	.18	McD. Segur Ex.	2,600	.41	.40	.39	.39
No	.39	.10	Merland	3,900	.15	.15	.12	.14
1	1.15	.38	Model	1,500	.65	.63	.56	.60
5	.49	.15	Nordon	2,900	.19	.18	.16	.18
No	.12	.04	Oil Selections	5,500	.08	.04½	.04	.04½
No	4.10	1.05	Okalta	20,775	2.56	2.55	2.20	2.45
No	.12	.03½	Olga Gas & Oil	4,340	.03½	.03½	.03½	.03½
No	.43½	.10	Pacalta	231,300	.24	.27	.19	.26½
1	.70	.60	Petrol Oil & Gas	......	(.60 bid .64 asked)			
No	60.00	34.50	Royalite	4,119	42.00	48.00	41.00	47.50
No	2.00	.50	South West Pete.	3,200	.90	1.05	.80	1.04
1	.68	.25	Spooner Oil	......	(.25 bid .35 asked)			
No	2.35	1.50	Texas Can.	5,400	1.70	1.75	1.55	1.75
No	.70	.17	United Oil	48,325	.36½	.38	.30	.35
1	2.25	1.00	Vulcan	6,950	2.20	2.25	1.90	2.25

VANCOUVER STOCK EXCHANGE

Par Val.	Range 1937 High	Low	Company	Sales	Close June 21 (or last)	High for week	Low for week	Close June 26
50c	.15	.08	Aztec	7,150	.08	.09	.08	.08½
25c	.02	.00½	Bayview	5,000	.01	.00½	.00½	.00½
20c	.04	.01	Beaver Silver	1,000	.01½	.01½	.01½	.01½
1	.70	.42	Big Missouri	3,000	.42	.45	.42	.42
25c	.07½	.02½	Bluebird	6,500	.03½	.03	.03	.03
No	9.00	6.10	Bralorne	1,910	7.10	7.10	6.75	7.00
1	.07½	.03	Bridge River Cons	500	.03	.03	.03	.03
50c	.19	.08	B.R.Mountain Gold		(08. May 29)			
1	.40	.17	B.C. Nickel	28,650	.22	.24	.18	.18½
1	3.85	1.75	B.C. Silver	1,500	2.00	2.25	1.75	2.20
50c	.04½	.03½	Canadian Rand		(.03½ Apr. 14)			
1	1.70	1.45	Cariboo Gold	2,850	1.50	1.52	1.50	1.50
1	.14	.03½	Congress Gold		(.03½ bid .04 asked)			
25c	.05	.01	Cork Province		(.01½ bid ... asked)			
No	.28	.13	Dentonia	4,500	.13	.14	.13	.13½
1	.05	.03	Dunwell		(.02 bid ... asked)			
No	.18	.06	Fairview Amal.	8,833	.06½	.08	.07	.08
50c	.69	.38	Fawn Mining		(.38 Mar. 18)			
1	.06½	.02½	Federal Gold	3,000	.02½	.02½	.02½	.02½
1	1.43	.38	George Copper		(... bid .40 asked)			
50c	.06½	.02½	George Enterprise		(.03 bid .03½ asked)			
1	.05	.01½	Georgia River	18,000	.01½	.01½	.01½	.01½
...	.03½	.01	Glacier Creek		(... bid .00½ asked)			
1	.29	.05	Golconda	4,900	.07	.05½	.05	.05½
50c	.37	.11½	Gold Belt	7,000	.23	.24	.23	.24
50c	.43	.03½	Gold Mountain	28,000	.04	.04½	.03½	.04½
50c	.30	.11½	Grandview	9,300	.16½	.17	.16	.16½
No	.03½	.01	Grange Mines	1,500	.01½	.02½	.02½	.02½
1	.18½	.07	Grull Wihksne	4,500	.07	.07½	.07	.07½
No	.65	.00½	Haida Gold	3,000	.01½	.01	.01	.01
No	.13	.03	Hedley Sterling		(... bid .03 asked)			
No	.04½	.02	Home Gold	1,000	.02	.02	.02	.02
1	.04½	.02½	Independence		(.03½ Feb. 11)			
1	.08	.02	Indian Mines		(... bid .04 asked)			
50c	1.18	.55	Island Mountain		(.60 bid .70 asked)			
1	.22½	.21	Inter'l Coal	2,500	.21	.21	.21	.21
50c	.06½	.03	Inter'l Gold		(... bid .04 asked)			
50c	.90	.75	Kootenay Belle	6,500	.77	.77	.75	.75
20c	.07	.01½	Koot. Florence	14,300	.01½	.02	.01½	.02
25c	.04½	.01	Kootenay King	1,000	.01½	.01	.01	.01
1	.03½	.00½	Lakeview	11,500	.01½	.02	.01½	.01½
10c	.19½	.04½	Lucky Jim	13,900	.05½	.05½	.04½	.05
No	.07½	.02	Mak Siccar	4,000	.02½	.02½	.02½	.02½
50c	.02½	.00½	Marmot Metals		(.00½ bid .01 asked)			
1	.19½	.18	McGillivray Creek	2,000	.18	.19½	.19	.19
5c	.17	.12	Meteline		(.12 May 16)			
50c	.06½	.01	Meridian Min.		(.01 bid .01½ asked)			
No	.38	.11½	Minto Mines	66,800	.13½	.13½	.11½	.12½
1	.05	.01	Morton Woolsey		(.01½ May 20)			
50c	.15½	.04	Nicola	13,800	.04	.04½	.04	.04½
50c	.17	.05	Noble Five	11,600	.05½	.05½	.05	.05½
1	6.75	2.65	Pend Oreille	1,200	3.45	3.60	3.20	3.60
No	.07½	.02½	Pilot Gold	3,500	.03½	.03½	.03½	.03½
1	6.75	3.75	Pioneer Gold	1,090	4.00	4.00	3.75	4.00
50c	.15	.04½	Porter Idaho	6,000	.04½	.05	.04½	.04½
No	.05½	.01	Premier Border	1,000	.01½	.01½	.01½	.01½
1	4.80	1.95	Premier Gold	6,185	2.08	2.39	2.00	2.35
1	.15	.03	Quatsino Copper	3,025	.04½	.03½	.03½	.03½
25c	.17	.07	Quesnelle Quartz	6,250	.08	.07½	.07	.07
1c	.05½	.02	Reliance	9,000	.02	.02	.02	.02
1	.37	.12	Relief Arlington	6,100	.17	.17	.12	.12
No	1.90	.70	Reeves McDonald	1,500	.72	.70	.70	.70
1	1.31	.75	Reno Gold	3,600	.77	.83	.75	.83
1	.20½	.06	Reward Mining	12,300	.10½	.10	.09	.09
1	.09½	.02½	Rufus Argenta	6,000	.02½	.02½	.02½	.02½
1	.11½	.02½	Ruth Hope		(.02 bid .03 asked)			
1	.12	.05	Sally Mines		(... bid .05 asked)			
50c	.15	.08	Salmon Gold	7,200	.09	.08½	.08	.08½
50c	.83	.58	Sheep Creek	1,900	.80	.80	.77	.77
1	3.20	2.50	Sihak Premier		(2.50 May 28)			
25c	.14½	.04½	Silvercrest	3,512	.06	.06	.05	.05
20c	.10	.01½	Silversmith	2,200	.02	.01½	.01½	.01½
1	.63	.40	Standard Silver		(... bid .45 asked)			
...	.75	.20	Sunloch		(.20 bid ... asked)			
10c	21.00	19.75	Sunshine		(19.75 Apr. 16)			
No	.13	.04½	Taylor Bridge	5,900	.05	.05	.04½	.04½
1	.14	.08	Taylor Windfall		(.10½ Apr. 29)			
No	1.05	.30	Vidette Gold	2,675	.32	.35	.31	.35
No	.06½	.01	Viking Gold	1,500	.01½	.01½	.01	.01½
50c	.03	.00½	Waverley Tangier	1,500	.00½	.01	.00½	.01
50c	.08½	.03½	Wayside		(.04 May 5)			
20c	.13½	.02½	Wellington	7,500	.03½	.03½	.02½	.03
50c	.50	.15	Wesko	6,100	.15	.16	.15	.16
1	.42	.10	Whitewater	4,200	.11	.12	.10	.12
No	.50	.25	Ymir Yankee Girl		(.25 bid ... asked)			
			OIL STOCKS					
1	1.09	.26	Alta. Pac. Cons.	13,045	.48	.48	.44	.48
1	.14½	.06	Amalgamated	12,000	.06½	.06	.06	.06
No	.45	.07	Associated Oil	50	.08	.20	.20	.30
No	.24	.04½	Baltac	1,200	.09	.09	.07½	.07½
1	1.05	.15	Brit. Dominion		(.40 bid .43 asked)			
No	6.50	2.15	Calgary & Ed.	8,090	3.30	3.40	3.15	3.30
1	1.84	.48	Calmont	6,160	.89	.90	.78	.88
1	.90	.26	Commonwealth	9,700	.48	.45	.40	.43
1	.19	.05	Crow's Nest	2,000	.05	.05	.05	.05
No	3.55	.71	Dalhousie	4,183	1.00	1.05	.95	1.05
No	.24	.05	Devenish	3,200	.08½	.09	.08	.08
No	.45	.13½	Eastcrest	500	.18	.16	.16	.16
No	.96	.23	Foundation Pete	29,200	.49	.57	.44	.57
No	.90	.10	Freehold	10,400	.14	.14	.12	.14
No	.40	.10	Hargal	1,300	.24½	.25	.23	.25
No	.91	.14	High Sarcee	3,900	.31	.35½	.29	.29
No	4.10	1.50	Home Oil	3,635	2.30	2.35	2.05	2.34
No	.88	.21	Lowery	3,600	.32	.30	.28	.30
No	.35	.04½	Madison	21,000	.12	.12	.10½	.11
No	.50	.18	Marjon Oil	11,500	.25	.25	.21	.24
No	.78	.18	McD. Segur Ex.	35,350	.39	.40	.35	.38½
1	1.60	.40	McLeod	863	.55	.58	.55	.55
No	.63	.22	Mercury	30,700	.41½	.42	.37	.38
No	.39	.12	Merland	1,100	.15	.15	.15	.13
No	.65	.16	Mill City Pete	25,900	.30	.30	.28	.29½
No	.65	.08	Midwest Pete	2,116	.10	.12	.10	.10
1	1.15	.44	Model	6,550	.65	.65	.56	.64
25c	.43	.23	Monarch Royal		(.43½ bid .45 asked)			
No	.48	.13	Nordon	1,400	.19	.17	.16	.16
No	4.00	.85	Okalta	9,100	1.29	2.55	2.20	2.37
No	.44	.11½	Pacalta Oil	23,400	.25	.26	.20	.26
1	1.50	.21	Ranchmen's	58,310	.41	.41	.21	.21
No	59.00	34.00	Royalite	34	41.00	42.00	41.00	42.00
No	2.00	.45	Southwest Pete.	250	.90	.90	.80	.90
1	.75	.25	Spooner	250	.39	.35	.30	.35
No	.72	.16½	United	20,750	.36	.36	.31	.32½
No	.38	.06	Vanalta	4,800	.14	.13	.11	.12
1	3.05	.95	Vulcan	1,300	1.20	2.05	1.90	1.90

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

June 28, 1937

Issue	Int. Rate %	Due	Bid June 28	Asked	Bid June 22
Public Utility Issues:					
†Assoc. Tel. & T.	5½	'55	79	82	81
▲Avalon Tel.	5½	'48	101½	...	101½
Beauharnois P.	5½	'73	61	64	56½
‡Bell Telephone	5	'55	112½	115½	113½
‡Do.	5	'57	118½	121½	118½
B. C. Power	4½	'60	98½	101½	98
B. C. Tele.	4½	'61	104½	107½	104½
‡Calgary Pwr.	5	'60	96	99	96
‡Do.	5	'64	95	98	94½
†Can. Nor. Pwr.	5	'53	102½	105½	102½
‡Dom. Gas & El.	6½	'45	91½	94½	91
‡Gatineau Power	5	'56	101	104	101
‡Do., A	6	'41	100½	103½	100½
‡Do., B	6½	'41	100½	103½	100½
Gt. Lakes Pwr.	4½	'56	93½	96½	93
‡Inter. Hydro-El.	6	'44	74	77	75
‡Inter. Power	6	'57	97	100	97
‡Do.	6½	'57	99	102	99
▲Do.	5	'55	101	104	100½
†Macl-Que. Pwr.	5½	'61	99	102	98½
†Do.	5	'64	98½	101½	98
†Mtl. Island Pr.	5½	'57	103½	106½	103½
†Mtl. L., H. & Pr.	3½	'56	99	102	99
†Mtl. Tramways	5	'41	99	102	98½
†Do	5	'55	74½	77½	74½
Nfld. L. & P.	5	'56	99	102	99
Nat'l. L. & P.	6	'49	95	98	95
N. S. L. & P.	4	'57	97½	100½	97½
†Ottawa L.H.&P.	5	'57	105½	108½	105½
†Ottawa Val. Pr.	5½	'70	104	107	104
†Power Corp.	4½	'59	98	101	98
‡Quebec Power	5	'68	103	106	103
▲Saguenay Pr., B	4½	'66	102	105	102
*Do., A	4½	'66	100	103	100
†Shaw. W. & Pr.	4	'61	98	101	98
†Do.	4½	'70	103	106	102½
†United Secs.	5½	'52	72½	75½	72½
†West. Pwr. Co.	5	'49	104	107	104
‡Winnipeg Elec.	5	'60	...	...	104
‡Do., A	4	'65	72	75	72½
‡Do., B	4	'65	58	61	59½
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	95	98	95½
Acadia Sugar	4½	'55	98½	101½	99
†Alta. Pac. Grain	6	'46	...	98½	95½
B. A. Oil	4	'45	102½	105½	102½
Canada Bread	6½	'41	107½	110½	107½
†Canada Cement	4½	'51	103½	106½	103½
†Canada Paper	4½	'52	97	100	97
Can. Steamship	6	'41	62	65	64½
Can. Canners	4	'51	99	102	98½
Can. Bakeries	6½	'45	100½	...	100½
‡Can. Inter. Pap.	6	'49	100½	103½	100½
C. P. R.	3½	'51	99	102	99½
Do.	5	'49	102	105	102
Do.	4½	'44	101½	104½	101½
Do.	4	Perp.	94½	95½	94½
†Can. Vickers	6	'47	98	101	97½
†Consol. Paper	5½	'61	87	90	88
‡Dominion Coal	5	'55	101½	104½	101½
Dom. Sq. Corp.	6	'48	70	74	70
▲Dom. Stl. & C.	6½	'55	103	106	102½
Dom. Tar	4½	'51	100	103	99½
Dom. Textile	4½	'55	105	108	105
†Donnacona P.	4½	'56	84	87	84
†Famous Players	4½	'51	96	99	96
†Federal Grain	6	'49	97	100	97
†Fraser Cos.	6	'50	103	106	103
†Gen. Stl. Wares	4½	'52	95½	98½	95
Great Lakes P.	5	'55	94½	97½	94
†Gypsum, L & A	5½	'48	101	104	101
†Gr. Br. & Can. Invest.	4½	'59	87	90	87
Hamilton Cot.	5½	'48	103	106	103
Ham. By-Prod. Coke	5	'50	98	101	98
Do.	5	'56	98	101	98
†Inter. Paper	6	'55	96	99	95
†Inter. P. & P. Nfld.	5	'68	102	105	102½
Inter City Bak.	5½	'48	103½	106½	103½
Inter-City West. Bakeries	6½	'50	...	57	54
†Kingston Elev.	6	'50	99	102	99
Lake St. John P. & P.	5½	'61	100	103	100½
Do.	5	'61	81½	84½	82
†Lond. Can. Inv.	4½	'48	93½	96½	93
†Massey-Harris	5	'47	97	100	96½
†McColl.-Front.	6	'49	102	105	101½
†Mersey Paper	6	'49	99	102	99
‡M. & O. Paper	6	'45	65	68	63½
Mtl. Dry Docks	6	'48	90	...	...
Nat'l Grocers	4	'47	99	102	99
†N. A. Elevators	5	'50	96	99	96
Nor. Ont. Bldg.	6½	'39	97½	100½	97½
†Price Bros.	5	'57	99	102	99
‡Prov. Paper	5½	'47	102½	105½	102½
Queen's Hotel	6	'47	99	102	99
‡Reliance Grain	4½	'52	98	101	98
†Restigouche Co.	6	'48	114	117	114
Rich. Bay Bldg.	6½	'48	96	99	96
†Rolland Paper	4½	'51	102½	105½	102½
Ruddy & Co.	6	'45	98	101	99½
†Simpsons Ltd.	4½	'51	94½	97½	94
†Smith, Howard	4½	'51	103	106	102½
†Steel of Canada	6	'40	110	113	110½
Sterling Coal	6	'40	94	...	94
*Twin City	5½	'52	76	79	76
United Amuse.	5	'56	99	102	98½
United Corp.	5	'53	98	101	98
Unit. Grain Gr.	5	'48	94	97	94½
Do.	5½	'49	96	99	95½
Union Gas	4½	'50	99	101	98½
▲Wabasso Cot.	4½	'51	97	100	97
Windsor Hotel	6½	'43	80	84	80
Do.	6	'47	42	...	41½

‡Payable in Can. or U. S. †Payable in Can., U. S. or U. K. ▲Payable in Can. or U. K. *Payable in U. S. only.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

June 28, 1937

	Bid	Asked
Industrial Stocks:		
Acadia Sugar, pfd.	4.50	4.75
Acme Farmers Dairy, pfd.	46.50	52.00
Algoma Steel, com.	9.50	11.00
Do., pfd.	64.00	67.00
Andian Nat. Corp.	49.25	52.00
Assoc. Tel. & Tel., pfd.	40.25	44.00
B. C. Pulp & Paper, pfd.	86.00	90.00
Do., com.	24.25	25.75
Brandram-Henderson	6.00	....
Do., pfd.	17.50	....
Burns & Co., A	10.00	12.00
Do., B	5.10	6.00
Can. Tube & Steel, 1st pfd.	75.25	77.50
Do., com.	7.75	9.50
Can. Airways	5.75	6.50
Can. Industries, A com.	239.50	....
Can. Ingersoll Rand	124.00	129.00
Can. Western Lumber, com.	1.15	1.30
Chase, A. W., pfd. bonus	28.50	30.00
Claude Neon Gen. Adv., pf.	13.75	15.00
Conduits Nat., com.	3.25	4.00
Crescent Creamery, pfd.	34.50	38.00
Dom. Found. & Steel, pfd.	97.50	100.00
Dominion Woollens, com.	.90	1.20
Do., pfd.	84.25	87.00
Federal Grain, com.	1.75	4.00
Goderich Elevator	43.00	45.00
Greening Wire, pfd.	5.50	6.50
Guelph Carpet, pfd.	103.50	106.50
Do., com.	105.50	107.00
Hayes Steel Prod., com.	25.25	....
Do., pfd.	12.00	12.00
Highland Dairy, com.	8.00	9.00
Lake Sulphite Pulp, com.	2.25	....
Loblaw's Inc. (U.S.) Units	20.75	21.75
McCormick's, com.	75.00	....
Do., pfd.	5.25	6.00
Morrison Brass, pfd. bonus	15.25	....
Mount Royal Hotel, pfd.	12.00	15.00
New Meth. Laund., pf. bon.	3.75	4.25
Perfection Pete., pfd.	92.00	96.00
Provincial Paper, pfd.	22.25	25.00
Reliance Grain, pfd.	106.50	107.50
Rob. Consol. Cone	97.25	98.00
Ruddy, E. L., pfd.	10.25	11.00
Seal O Sac (Can.)	....	34.00
Silverwoods Dairies, com.	13.50	15.50
Do., pfd.	1.70	....
Standard Fuel, com.	4.50	....
Do., pfd.	6.10	7.00
Supertest Pet., B pfd.	92.00	101.00
Toronto Carpet, com.	28.25	30.00
Do., pfd.	19.00	....
United Steel, A pfd.	59.00	....
Western Grain, pfd. bonus	18.50	19.50
Weston (Geo.) Foods (Eng.)	10.25	12.00
Wings Limited	3.00	3.50
	1.10	1.30
Trusts and Loan Stocks:		
Chartered Trust	98.50	102.00
Commercial Finance, com.	2.70	3.00
Guelph Ont. Inv., par $50.00	49.75	52.50
London & West. Trust	53.50	56.50
Prudential Trust	5.00	6.00
Sterling Trust	40.00	....
Traders Fin., A com.	21.25	23.00
Traders Fin., B pfd. bonus	95.25	98.25
Trusts & Guarantee	29.50	30.50
Insurance Stocks:		
Canada Life	335.00	....
Canadian Ins. Shares	16.00	....
Confederation Life, 20% pd.	115.00	118.00
Dominion Fire	133.00	....
Dom. of Can. Gen.	134.00	138.00
Empire Life, 25% pd.	12.50	14.00
Federal Fire, 25% pd.	37.00	42.00
Great West Life	325.0	340.00
Guar. of N.A., fully pd.	300.00	320.00
Do., 20% pd.	57.00	....
Imperial Life	350.00	365.00
Manufacturers Life	280.00	290.00
Monarch Life, 10% pd.	24.50	27.00
Sovereign Life, 25% pd.	16.00	18.00
Sun Life	590.00	620.00
Western Assurance, com.	49.50	54.00
Do., pfd	40.00	42.50
Theatre Stocks:		
Allens Kingston, pfd.	67.00	....
Do., Parkdale, pfd.	63.00	....
Do., St. Catharines, pfd.	61.00	....
Do., Tor., pfd. bonus com.	29.00	32.00
Mansfield Theatre, pfd.	29.00	32.00
Paramount Kitchener, pfd.	60.60	66.00
Do., Oshawa, pfd.	90.00	95.00
United Amusement, A	22.50	25.00
Do., B	23.00	25.00
Investment Trust Shares:		
Can. Gen. Invest.	9.75	10.25
Can. Investment Fund	4.35	4.75
Can. Investors	8.75	9.25
Cons. Div. Std. Sec. Units	22.75	25.00
Invest. Found., pfd. bonus	59.0	62.00
Lon. Can. Invest., com.	4.35	4.90
Sec's. Hold. Corp., pfd. bon.	20.00	22.00
United Corpns., A	22.50	25.00
Do., B	21.00	23.00
Power Issues:		
Can. West. Nat. Gas., pfd.	90.30	92.00
Do., com.	25.50	....
Foreign Power Sec's., pfd.	8.50	11.00
Great Lakes Power, pfd.	98.50	100.00
Inter. Util., $1.75 pfd.	15.00	18.00
Montreal Island Pwr., pfd.	16.50	18.00
New Brunswick Tele., com.	13.75	14.25

Winnipeg Stocks

(Transactions from June 21 to June 25)

	Sales	High for period	Low for period	Close June 25
Cres. Cream., p.	5	37.00	37.00	37.00
Dickstone Cop.	400	.15	.13	.13
Cryderman	1,500	.01½	.01½	.01½
Gt.-West Life	3	330.00	330.00	330.00
Flin Flon	7,500	.05½	.05½	.05½
Gurney	500	.30	.30	.30
Gold Lake	11,500	.02½	.02½	.02½
Herb Lake	15,000	.15	.15	.15
Marvel Oils	1,000	.08	.08	.08
Kingfisher	6,000	.01½	.01½	.01½
Northern Trust	100	8.75	8.75	8.75
Ore Grande	2,000	.03	.03	.03
Sovereign Life	10	16.00	16.00	16.00
Packsack	2,500	.10	.09½	.09½
Sachigo	65	10.00	9.75	9.75
Star Lake	1,000	.01½	.01½	.01½
Scotia Gold	200	.02½	.02½	.02½
United Grain	26	10.25	10.00	10.25
Wylie Dom.	4,100	.25	.23	.23
Wingold	3,550	.04½	.04	.04
Wings, Ltd.	280	1.25	.95	1.20
Wpg. R. Tin	2,200	.01½	.01½	.01½
Traders Fin. B	30	23.00	23.00	23.00
West. Brew.	35	1.25	1.25	1.25

Stocks Not Traded in During Week*

	Bid	Asked
Beaver Fire Insurance	..	100
Can. Indemnity	125	..
Dom. Envelope, pref.	93½	95½
Federal Grain, pfd.	..	44
Home Investment	20	25
Northern Can. Mtge., pf.	3	..
North. Mtge., part pd.	..	3
Traders Bldg.	90	..
West. Steel, pf.	9	12

*Stocks more active on other exchanges not included.

Unlisted Mines

June 28, 1937

	Bid	Asked
Alden Gold	..	.13
Albany River	.44	.45
Algold	.32	.34
Am. Gold	.16	.18
Armistace	.10	.14
Arno	.02½	.03½
Athona	.15	.18
Area	.02½	.03
Augite	.15	.18
Bailor	.03	.03½
Barber L.	.22	.23
Bathurst	.02	.03
Big Master	.04	.05
Bilmac	..	.06
Baldwin	.01½	.02
Bousquet	.01½	.01¾
Cuniptau	.05	.05½
Cald. Bous.	.05½	.06½
Cal. Flin Flon	.03	.04
Can. Pan.	.10	.11
Can. Kirk.	.02¼	.02¾
Candalaca	.38	.41
Casey C.	.01	.01½
Chesterville	1.30	1.45
Coin Lake	..	.10
Conder O.	.03½	.04½
Can. Kirk.	.02	.02¼
Cooke Lake	..	.30
Cres. Kirk.	..	.04
Dawson W.	.13	.14
Dem. Cad.	.07	.10
Den. N.	.35	.38
Desantis	.30	.33
Doreva	.34	.36
Delosha	.15	.17
Dunlop N.	.05	.06
El Bonanza	.07	.09
Electra	.07	.09
Eva Lake	.08	.10
Elmos	.16	.19
Feulkenham	.33	.38
Fernland	.13	.17
Fleming	.18	.23
Franklin	.02¼	.01¾
Frontier	..	.11
Galagea	.03	.03½
Garnet	.02	.02½
Gate Pat.	.06	.07
Gilbec	.01½	.02¼
G. Range	.02¾	.03¼
Goldside	.03	.03½
Gold Gate	.39	.42
G. Lebel	.08	.10
Hud. Pat.	.03	.03½
Hislop	.10	.12
Horseshoe	.01¼	.02¼
Hut. Lake	.14½	.16
Hugh Pam.	..	.13
John Nip.	.04	.05½
Jedder	..	.06
Kaw Crow	.08	.10
Kenecho	.11	.13
Kenricia	.30	.35
Kaw'gama	.37	.40
King Kirk	.02	.03
Kir-Vit.	.14	.16
Kirk Hun.	.01½	.02
Kirk Gate	..	.11
Lafayette	.02½	.03
Lake Geneva	.37	.39
Lamaque	6.00	6.50
Lardego	.04	.05
McCuaig	..	.09
Mag Lake	.04½	.05
Mag Con.	..	.15
Maneo	.01½	.02
Malartic	.18	.20
McNeeley	.04	.05
Martin Bird	.65	.67
Margaret	.31	.33
Maritime	..	.18
Mat. Can.	.10	.12
Moffatt N.	.06	.07
McFarlane	.07½	.08

UNLISTED MINES (Continued)

	Bid	Asked
McCarthy Webb	.20	.22
McVittie	.03½	.04½
Monarch	.05½	.07
Mooshla	..	.18
Mosher	.25	.27
Norlake	.14¼	.15
North Shores	.02¾	.03¼
Minerals	..	.08
Oklend	.11	.13
O'Leary	.06½	.07½
Open Cop.	.13	.16
Oriole	.08¼	.09¼
Ossian	.03½	.04
Pascalis	.27	.30
Porc. McNabb	.05	.06
P. United	.05	.07
Plains P.	4.25	4.50
P. G. Reef	..	.02
Potter D.	.02	.02½
Porc. Tri.	..	.15
P. Rouyn	.06	.08
Pelangio	.11	.13
Planet	.21	.23
Quemartic	.12	.15
Que. Man.	.06	.08
Rajah	.19	.21
Richmac	..	.35
Ribago O.	.03	.04
Rosanor	..	.11
Rouyn Reward	.04½	.05
Rubec	.02¾	.03½
Sand River	.25	.28
Schreiber	.04	.05
Shenango	.15	.16
Skookum	.06	.09
Siscoe Ex.	.19	.20
Smelters	.02½	.03
Spooner	.01	.12
Sturgeon River	.22	..
Springer	.07	.08
Straw L. B.	.09	.10
Sun Bear	.25	.27
Tonawanda	.04	.04½
Upper Can.	.31	.33
Wascanna	.12	.13
Williamson	.08½	.10
Wesley	.13	.14
Westside	.03½	.04
West R. Lake	.05	.07
White Horse	.03	.10
Woco	..	.15
Wendigo	.15	.17
Winoga	.08	.09
Young D.	.15½	.16½
Ypres Cad.	.08	.09

Government Bonds

Dominion of Canada Bonds

June 26, 1937

Rate	Date	Bid	Ask	Approx. Yield
[illegible]	15 Nov. '39	101.25	101.75	1.26
[illegible]	15 Oct. '39	102.25	102.75	1.50
[illegible]	15 Oct. '39	105.65	106.15	1.32
[illegible]	1 June '40	100.10	100.60	1.29
[illegible]	1 Sept. '40	106.25	106.75	1.72
[illegible]	15 Mar. '41	97.65	98.25	1.45
[illegible]	15 Nov. '41	111.15	111.65	2.20
[illegible]	15 Oct. '42	103.85	104.35	2.13
[illegible]	1 June '43	101.25	101.75	2.19
[illegible]	15 Oct. '43	112.15	112.65	2.61
[illegible]	15 Oct. '44	110.25	110.75	2.66
[illegible]	15 Aug. '45	99.00	99.75	2.53
[illegible]	15 Oct. '45	106.50	107.00	▲2.75
[illegible]	1 Feb. '46	110.00	110.50	3.10
[illegible]	1 June '49	100.50	101.00	▲3.13
[illegible]	15 Oct. '49	102.00	102.50	▲3.11
[illegible]	15 Oct. '52	106.15	106.65	▲3.23
[illegible]	1 June '55	96.25	96.65	3.23
[illegible]	1 Nov. '56	109.25	109.75	▲3.30
[illegible]	1 Nov. '57	109.25	109.75	▲3.30
[illegible]	1 Nov. '58	109.75	110.25	▲3.41
[illegible]	1 Nov. '59	110.15	110.65	▲3.44
[illegible]	15 Jan. '61	99.00	99.50	3.26
[illegible]	1 June '66	97.50	98.00	3.36
[illegible]	Perp. bds.	87.00	87.50	3.43

Dominion Guaranteed Bonds

Canadian National Railway:

Rate	Date	Bid	Ask	Approx. Yield
3	1 May '44	102.00	103.00	2.52
3	15 Dec. '50	96.25	97.25	3.25
3	*15 Feb. '53	95.00	96.00	3.32
*4½	1 Sept. '51	112.75	113.50	3.32
*4½	1 Feb. '56	113.00	113.75	3.50
†4½	1 July '57	112.25	113.00	3.58
*4¾	15 June '55	115.25	116.00	3.54
5	1 Feb. '54	116.00	116.75	3.66
*5	1 July '69	115.25	116.00	▲3.10
*5	1 Oct. '69	117.50	118.50	▲3.46

Provincial Government Bonds

Rate	Date	Bid	Ask	Approx. Yield
New Brunswick:				
4	1 Sept. '54	100.00	101.00	3.92
†4½	15 Apr. '61	104.50	105.50	4.14
†5	15 Jan. '60	109.50	110.50	4.26
Nova Scotia:				
3	2 Sept. '45	96.50	98.50	3.20
4½	15 May '43	106.50	107.50	3.13
†4½	15 Sept. '52	108.00	109.00	▲3.46
†5	1 Mar. '60	115.75	116.25	3.92
Ontario:				
3	1 Dec. '51	94.50	96.00	3.35
*4	1 June '62	106.00	107.50	3.55
4½	1 June '50	110.00	111.00	3.44
*4½	15 Jan. '62	114.00	115.50	3.55
5	15 Oct. '48	114.00	115.00	3.41
*5	2 Dec. '60	118.00	119.50	3.75
5½	1 July '46	116.00	117.00	3.30
Ont. Hydro Comm.:				
3½	1 Apr. '47	101.50	102.50	3.20
4¾	1 Jan. '70	114.75	116.75	3.85
Prince Edward Island:				
3	1 Oct. '45	96.50	98.50	3.20
Quebec:				
4	15 Mar. '52	105.00	106.00	3.48
4¼	1 Aug. '58	108.50	109.50	3.60
4½	2 Jan. '63	110.00	111.00	3.82
Alberta:				
4	15 Dec. '54	57.00	59.00	§
†4	1 Dec. '57	57.00	59.00	§
4½	1 Oct. '51	68.50	70.50	§
†4½	1 Oct. '56	57.50	59.00	§
†5	1 Jan. '48	58.00	60.00	§
5	1 Sept. '55	58.00	60.00	§
*5	1 Oct. '59	58.00	60.00	§
†5½	1 Jan. '47	60.00	62.00	§
6	1 Mar. '47	64.00	66.00	§
British Columbia:				
†4	1 Dec. '57	91.50	93.00	4.53
*4½	15 Jan. '51	97.75	98.75	4.62
†4½	1 Oct. '53	97.00	98.00	4.67
†5	15 Jan. '48	100.25	101.25	4.85
5	1 Sept. '53	100.00	101.00	4.90
5½	1 Feb. '45	102.25	103.25	4.99
6	15 Feb. '47	104.00	105.00	5.35
Manitoba:				
4	2 Jan. '50	83.00	85.00	5.69
†4	1 Dec. '57	83.00	85.00	5.20
†4½	15 Dec. '56	89.00	90.50	5.28
†5	15 June '54	93.00	95.00	5.45
*5	2 Dec. '59	93.00	95.00	5.39
5½	1 Oct. '55	95.00	96.50	5.81
6	1 Apr. '47	97.00	98.00	6.27
Saskatchewan:				
4	15 Aug. '53	68.00	69.50	7.17
4	1 Nov. '60	67.00	68.50	6.67
*4½	2 July '45	81.00	83.00	7.35
†4½	1 Oct. '51	81.50	83.50	6.25
†4½	15 Mar. '60	76.00	78.00	6.33
5	1 Aug. '58	77.50	77.00	7.10
†5½	15 Nov. '46	83.00	85.00	7.76
5½	1 Oct. '52	83.00	85.00	7.11
6	15 Mar. '52	84.00	86.00	7.58

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ■Payable N.Y. ‡Callable on or after Sept. 15, 1966. §Traded flat. Interest being paid at 50% of coupon rate; minimum rate 2%.

Dividends Declared

	This payment	Date payable	Date of record
Biltmore Hats	25c	July 15	June 30
Biltmore Hats, com.	25c	July 15	June 30
Brantford Cord., pf.	32½c	July 15	June 19
Brazilian Tr., ord.	50c	July 10	May 31
Beatty Bros., 1st pf.	$1.50	Aug. 1	July 1
Bell Telephone	$2	July 15	June 23
B. C. Power, A	45c	July 15	June 30
Bralorne M.	10c	July 15	June 30
Do., extra	10c	July 15	June 30
B. C. Tele., 1st pf.	$1.50	July 2	June 16
Do., 2nd pf.	$1.50	Aug. 2	July 17
Buff-Ankerite	12½c	Aug. 16	Aug. 2
Do., extra	7½c	Aug. 16	Aug. 2
Can. Breweries, pf.	50c	July 15	June 30
Cons. Smelters	50c	July 15	June 30
Do., extra	$1	July 15	June 30
Can. Gen. Invest.	12½c	July 15	June 30
Can. Light & Pr.	50c	July 15	June 26
Can. Nor. Pwr.	30c	July 26	June 30
Do., pref.	$1.75	July 15	June 30
Canada Bud	40c	July 20	July 6
Cosmos Imp., pref.	$1.25	July 15	June 30
Corporate Investors	6½c	Aug. 15	July 31
Coniarum Mines	5c	July 15	July 2
Can. Bronze, pf.	$1.25	Aug. 2	July 20
Do., com.	37½c	Aug. 2	July 20
Can. Fairbanks, pf.	$1.50	July 15	June 30
Can. Indust., A & B	$1.50	July 31	June 30
Do., pref.	$1.75	July 15	June 30
Can. Wallpaper, A & B	$1	July 6	June 29
Crown Cork	20c	Aug. 16	July 31
Dom. Tar, pref.	$1.37½	July 31	July 10
Dom. Textile, pref.	$1.75	July 15	June 30
Dome Mines	50c	July 20	June 30
Do., extra	$2	July 20	June 30
East. Theat., pf.	$3.50	July 31	June 30
Frost Steel, 1st pfd.	$1.75	Aug. 2	July 16
Gould Pumps, pf.	‡$2	July 15	July 1
Gt. Lakes Pwr., pf.	$1.75	July 15	June 30
Guar. of N. Amer.	$1.50	July 15	June 30
Do., extra	$2.50	July 15	June 30
Hollinger Cons.	5c	July 15	June 30
Howey Gold	2c	Aug. 2	June 26
Imperial Bank	$2.50	Aug. 2	June 30
Inter City Bak.	$1	July 31	July 15
Inter. Milling, pf.	$1.25	July 15	July 3
Invest. Found. pfd.	50c	July 15	June 30
Do., arrears	25c	July 15	June 30
Kelvinator, pfd.	$1.75	Aug. 16	Aug. 5
McColl-Fron., pf.	$1.50	July 15	June 30
Mtl. L. H. & Pr.	38c	July 31	June 30
Montreal Tele.	80c	July 15	June 30
Montreal Tram.	$2.25	July 15	July 5
Nat Biscuit, c.	40c	July 15	June 17
Penmans	75c	Aug. 16	Aug. 5
Do., pref.	$1.50	Aug. 2	July 21
Power Corp., com.	†25c	July 26	July 3
Power Corp., pf.	$1.50	July 15	June 30
Do., 2nd pfd.	75c	July 15	June 30
Premier Gold	3c	July 15	June 15
Do., extra	1c	July 15	June 15
Sunshine Mining	75c	July 15	June 30
Sheep Creek G.	2c	July 15	June 30
Do., extra	1c	July 15	June 30
Simon & Sons, pfd.	$3.50	Aug. 2	July 20
Steel of Can.	43¾c	Aug. 2	July 7
Do., pref.	43¾c	Aug. 2	July 7
Smith, How. Pap. p.	$1.50	July 15	June 30
South. Can. Pwr., p.	$1.50	July 15	June 19
South Can. Pwr., c.	20c	Aug. 16	July 31
Saguenay Pwr., pf.	$1.37½	Aug. 1	July 15
Tuckett Tob., pf.	$1.75	July 15	June 30
Twin City, pfd.‡	$7	July 15	June 30
United Secs.	50c	July 15	June 23
Ventures	*12½c	July 5	June 23
West. Grocers	75c	July 15	June 20
Do., pref.	$1.75	July 15	June 20
Zimmerknit, pfd.	$3.50	Aug. 1	July 15

†Interim. *Initial. ‡On arrears.

Municipal Bonds

June 29, 1937

	Rate	Due	Bid	Ask.	Yld.
†Halifax	5	1961	112.00	113.50	4.10
Hamilton	5	1950	110.50	112.50	3.80
Montreal	5	1945	104.50	106.00	4.09
Ottawa	4½	1945	108.25	110.25	3.05
†Quebec	5	1959	101.00	102.50	4.82
Saint John	5	1950	106.50	108.00	4.21
†Toronto	4½	1955	111.00	113.50	3.46
†Vancouver	5	1950	88.00	93.00	5.78
Winnipeg	5	1944	97.00	101.00	4.83

†Payable Can. and N.Y.

Listed Bonds

Week Ended June 26, 1937

	Int. rate	Due	High	Low	Range 1937 High	Range 1937 Low
Mtl. L. H. & P. Debs.	3	'39	50½	50½	50½	50½

Cattle Receipts

Receipts of livestock at the Moose Jaw stock yards during the first five months of the year were as follows: cattle, 14,699 head (compared with 18,547 head in the same period of 1936); calves 2,717 (1,009); hogs, 29,143 (43,273); sheep, 47,921 (58,874); horses, 8,060 (10,666).

BRITISH EMPIRE TRUST CO., LTD.

Canadian Borrowers and Their Obligations.

Mr. J. Davidson's Advice to Security Holders.

The thirty-sixth ordinary general meeting of the shareholders of the British Empire Trust Company, Ltd., was held June 15th in London, Mr. J. Davidson (chairman and managing director) said, in part:

We are pleased to be able to present to you to-day a satisfactory and cheering statement of affairs.

In the first place, we have the pleasure of recommending a dividend of 7 per cent. on the Preferred Ordinary shares, as compared with 6 per cent. last year, and 9 per cent. on the Deferred Ordinary shares, as compared with 8 per cent. last year.

In the second place, we have been able to increase the standing reserve by £30,000, bringing it up to £300,000, and have also been able to set aside £20,000 to a special tax reserve to help us to meet, without undue strain on our future profits, the burden of taxation which it now seems certain will be heavier in some shape or form for the next few years.

In the third place, we have applied an additional reserve of £30,000 against the value of investments, and this is shown separately under "Investments" on the asset side of your balance-sheet. This seems to us a desirable precaution because there is little doubt that the general level of investment values today is, in the light of past experience, fairly high.

Improving Conditions in Canada

Last year I was able to report that there was evidence of improving economic conditions in the Dominion. Further improvement, if slow, has been practically continuous during 1936.

While the foregoing is most encouraging, there still remain, particularly in Western Canada, certain difficulties of a financial character resulting from the disastrous trade slump of 1931, the disastrous unemployment and burden of relief, and, perhaps more serious still, the unprecedented experience of continuous crop failures throughout large portions of Western Canada extending over the past five or six years. In many cases these difficulties have been recognized and met by proper negotiations between debtors on the one hand and mortgagees and creditors on the other, while assistance has also been given by the Dominion Government. In some few cases where investigation has proved that no alternative is possible, negotiations are now in progress seeking solutions by proper means.

The most unsatisfactory feature in Western Canada at the present time is the evident determination of one or two authorities to impose upon creditors their own solution of alleged difficulties without any negotiations and without due regard either to proved necessity or to proper methods.

Action of Alberta

The Government of the Province of Alberta, through the instrument of its Legislature, has attempted to impose an arbitrary reduction in the interest on all Provincial obligations. This it purported to do by an Act proclaimed on 31st October, 1936, followed by the issue of forms to the holders of Province of Alberta Stocks in Great Britain, asking these holders for assent, and so drawn as to preclude any assenting stockholder from receiving during the entire life of the obligation more than one-half of the rightful interest payable.

Protection committees formed in Canada and in London advised holders, and still advise holders, not to accept the offer and not to sign the forms of assent. On 23rd February, 1937, the Courts of Alberta declared the Act in question to be ultra vires. The Government appealed to the Supreme Court of Alberta against this decision, but have since withdrawn the appeal and have passed certain further legislation with a view to nullifying the adverse ruling of their own Court. Holders of Alberta securities should resist to the utmost this further attempt to legalise a reduction in interest; they should refuse to sign any assents, and should wait and hope for the establishment of a Government in Alberta willing to conform to just and proper procedure.

Proposals of the City of Moose Jaw

The other case to which I referred is the proposals of the City of Moose Jaw. This city, which issued in this country £583,000 of bonds bearing interest at 4½ per cent. and 5 per cent., recently obtained an Order from a Local Government Board reducing for one year the interest on its bonds by 40 per cent. with a minimum of 3 per cent. per annum. The security holders in Great Britain were not consulted and were not even aware that a Local Government Board with such powers was in existence; they received no notification of the proposals and consider, and rightly consider, that they have been badly treated. It is true that bondholders have the right to lodge objections to the Order, but no adequate opportunity was given to bondholders here to do so, and it was only due to the activity of private interests who were able to obtain the necessary objection form, and have supplies printed and distributed here, that protests from this country could be recorded within the time allowed.

Happenings of this kind are resented by security holders in this country. Debtors cannot be permitted, either directly or indirectly, to impose their views upon bondholders or decide for themselves what they can or will pay. Bonds liable to such treatment cannot be considered as satisfactory, and will not be acceptable investments here so long as there stands between the borrower and the lender an authority empowered to make Orders of the kind I have described.

Bondholders' Rights

It is my considered opinion that no future issues of this character should be permitted in Great Britain, or quoted or dealt in on our Stock Exchanges, unless all the rights of bondholders and the local laws to which they are subject be fully set out by prospectus. A contract should be entered into with trustees in this country defining clearly the remedies of bondholders in the event of difficulties or defaults, with provision that such contract shall be governed by the laws of Great Britain and not by the laws of the province of the borrower. Among other things it should stipulate that sinking funds shall be administered by independent trustees who will see that they are invested outside the domain of the borrower, and thus have reasonable prospect of being available for the bonds they are designed to protect. (Applause.)

Such events not only destroy the credit of their authors but create a sense of insecurity and reflect unfairly and adversely upon the credit of many trustworthy Canadian borrowers and on the value of their obligations. (Hear, hear.)

Week in Wheat

Dwindling Shipments Send Markets Higher

Immediate Supplies Getting Shorter But Liverpool Following Reluctantly Recent Strength in North American Markets

From Our Own Correspondent

WINNIPEG.—Wheat prices surged upward again at the beginning of the week as the result of continued drought in Saskatchewan and part of Alberta, and the increasing threat of rust in the United States. Pace is being forced by North American markets, particularly Winnipeg. Liverpool is following with hesitation. In consequence Canadian prices are getting out of line with exports at a minimum.

Overseas importers are satisfying their requirements for immediate use by drawing on the rapidly decreasing surplus afloat, and are booking United States grain for early shipment. Total world's shipments last week were only 7.5 millions, or about 3 million bushels down from the previous week.

No Shortage Fear

Failure of July wheat to establish high premiums over October, or to maintain the premiums formerly in effect, is a matter of continuing surprise to many market operators. With the July 31 carryover of Canadian wheat sure to be small, and the practical certainty that every available bushel of old crop will be needed before new supplies are available, it would not have been surprising if the market had reflected a scarcity condition for July.

The explanation lies in Liverpool where there is no anxiety regarding nearby supplies and the July future is trading on practically a par with October and December. Supplies afloat to Europe are still some millions of bushels larger than usual at this time of year. While these stocks began to decrease as soon as Argentine shipments had passed their maximum some weeks ago, the decline has been slow because of wheat volume from Australia. Then again Europe is counting on getting large shipments of United States hard winter wheat and possibility of some exports from Russia as well. However, reports concerning conditions in the latter country are still sharply divided.

* * *

Durum Reversal

Manitoba farmers, growers of most of Canada's durum wheat, are resigning themselves to the prospect of seeing their product sell at a considerable discount this year, instead of at the recent high premium over bread wheats. Right now, with supplies of durum practically exhausted, there is a discount of eight cents a bushel. Last winter the premium went as high as 30 cents, with the cash price at one period touching $1.67.

Failure of the durum crop in the United States northwest last year was responsible. Prospects are now good for a durum crop in the United States, and Canada must look to a revival of her former trade in durums with Italy if the coming crop is to be marketed satisfactorily.

* * *

Size of U. S. Surplus

A figure of approximately 650 million bushels for the United States winter wheat harvest now seems generally accepted. If spring wheat, including durum, yields 200 millions, the total volume will be about 200 millions more than normal domestic consumption. But it is possible that 50 millions will be absorbed in increased carryover and a similar quantity for additional livestock feed to make up for the deficiency of corn until the new corn crop is harvested in the fall. Perhaps, therefore, only about 100 millions represents the limit of exports from the United States this season. The quantity may be increased if low prices for soft white wheat on the Pacific coast make competition possible with Australia for a portion of the Oriental market.

United States millers are hoping to increase their exports of flour to non-European countries. High tariffs in Europe on flour as compared to wheat seem to preclude any increase in flour shipments to that continent.

Whether British markets will use much United States wheat is still an open questiton. The six cent a bushel duty on United States as compared with free Canadian exports may prove prohibitive.

* * *

War Scares Shorts

Political tension in Europe was credited by Liverpool with having something to do with stronger wheat markets last week. Overseas markets have been following advances on this side with a good deal of reluctance, offsetting the pool prospects in Canada by the hope of large exports from the United States. In fact there has been some considerable short selling in Liverpool, based on the theory that North American advances might not be maintained when the United States crop should be in full tide of marketing. But war nervousness caused some short covering, and increased buying by millers. As the market is comparatively narrow it took only a small amount of buying to create a sharp advance.

* * *

World Stocks

World wheat calculations at this time are subject to a wide margin of error. European crops may still suffer deterioration to a large extent before harvest. Prospects for competitive rye in northern Europe have been unsatisfactory. Southern hemisphere crops are still being seeded. Russia produced no export surplus in 1936, and any quantity she is able to spare during the coming year will represent a net addition to world stocks. On the other hand Oriental imports have been small, and increased takings might reduce the supplies available in the rest of the world.

It is unlikely, in view of the largely increased production of the United States, that the world will fall as far short of producing its wheat requirements for the crop year ending July 31, 1938, as it did in season just ending. But it is by no means certain yet that new production is going to equal fully, gradually growing consumption requirements.

DIVIDEND NOTICES

POWER CORPORATION OF CANADA LIMITED

Common Dividend No. 12

AN interim dividend of Twenty-five Cents (25c.) per share has been declared on the No Par Value COMMON STOCK of Power Corporation of Canada, Limited, payable July 26th, 1937, to shareholders of record at the close of business on July 3rd, 1937.

By Order of the Board,
L. C. HASKELL,
Secretary.

Montreal, June 25th, 1937.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 294

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 15th day of July, 1937, to shareholders of record at the close of business on the 30th day of June, 1937.

Dated the 23rd day of June, 1937.
I. McIVOR,
Assistant-Treasurer.

Canadian Bronze Company Limited

DIVIDEND NOTICE.

THE quarterly dividend of 1¼% on the PREFERRED STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 2nd day of August, 1937, to Stockholders of record as of the 20th day of July, 1937.

Also a quarterly dividend of Thirty-Seven and One-Half (37½c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending July 31st, 1937. Payable the 2nd day of August, 1937, to Stockholders of record as of the 20th day of July, 1937.

By Order of the Board,
W. C. PAQUETTE,
Secretary.

Montreal, P.Q., June 25th, 1937.

A. J. PATTISON Jr & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank Bldg. — EL. 5101
TORONTO

Royal Exchange Building Adjusts Bond Payments

Royal Exchange Building Corp., operating the Wheat Pool Building, Winnipeg, has written to The Royal Trust Co. outlining certain new arrangements which it has been necessary to make.

As a result of new arrangement with tenants of the building a reduction in rentals has been made. The company, consequently, will not be able to make any payments on the $100,000 of 7% general mortgage bonds which become due July 2, 1938.

Sinking fund payments on the 6% first mortgage bonds are to be deferred or reduced but it is expected that interest payments on the first mortgage can be maintained. Sinking fund payments on this issue have been kept up to Nov. 1, 1936, but only in part since that date.

The main building was leased to Canadian Co-operative Wheat Producers. Ltd., for a period of 10 years from 1928, with the option of a 10-year renewal. This lease was calculated to give a yearly rental of $93,250

DIVIDEND NOTICES

Zimmerknit Company Limited

Preferred Stock Dividend No. 7

Notice is hereby given that a Dividend of 3½% due August 1st, 1937, has been declared on the outstanding Preferred Stock of Zimmerknit Company Limited, payable on August 1st, 1937, to shareholders of record July 15th.

By Order of the Board,
W. P. WALKER,
Secretary.

June 23, 1937.

Canada Bud Breweries Limited

Dividend Notice

Notice is hereby given that a dividend of Forty Cents (40c) per share on the 150,000 outstanding no par value common shares of Canada Bud Breweries Limited, has been declared payable on the 20th day of July, 1937, to shareholders of record at the close of business on the 6th day of July, 1937.

By order of Board of Directors
E. J. KAY,
Secretary-treasurer.

Toronto, June 25th, 1937.

Hope Late Rains Will Cut Relief

From Our Own Correspondent

REGINA.—Provincial Government officials are banking on good rains over the dried-out area for the rest of the growing season—but not to benefit the wheat crop.

Moisture now would at least bring along pastures and help relieve immediate pressure in the form of feed relief. Precipitation at Estevan, in the centre of the dried-out region of the southeast, has been good since June 1 and the same is true of some areas in the southwest. If rain covers the whole of southern Saskatchewan it will give the Government time to organize itself for supplying feed during the winter months, expenditures for which have headed the province's relief bill.

Crop Prospects Fail to Gain

Further Deterioration in Saskatchewan and Alberta

Manitoba and a small section of southwestern Alberta remain the only parts of the West where crop prospects are still remarkably good. Earlier hopes of a heavy crop over Alberta generally have been abandoned though a fair to good yield is a prospect.

Conditions in Saskatchewan have grown worse. Continued drought has widened the area, on which there is no longer any hope of recovery for wheat even with heavy rains during the rest of the season. A considerable part of the crop in districts where prospects until lately were fair, has been hastening to maturity under the combined influence of drought and heat.

Except for the fear of rust it would be hard to find fault with conditions in Manitoba. But there is no doubt of this red menace steadily creeping northward in United States. Traces have been found in Manitoba. While there are as yet no serious outbreaks, there is always the danger of more general infestation from spores carried by a wind from the south.

Langley's Plans To Cut Dividend

Would Eliminate Arrears by Increasing Stock Issues

Langley's Ltd., Toronto, cleaning and storage firm, proposes to increase its capitalization to eliminate arrears of dividends on its 7% preferred shares of $100 each and to reduce fixed dividend payments to shareholders. Arrears at June 30 amount to $21 a share. The proposals are to be considered by shareholders at a special meeting on July 19.

In exchange for each share of 7% preferred and the arrears, it is proposed to issue two $50 shares of 5% first preferred stock, one share of second preferred and one of common stock. The second preferred would carry a cumulative annual dividend of $1 a share after Oct. 15, 1939, which capitalized at 5% would give this class of stock the equivalent of a $20 par value. The offer of one share of common is made as compensation for part of arrears, reduction of the rate on the first preferred and deferment of dividends on the second preferred.

The following changes in capital would result:

Langley's Proposed Capital Changes

	Present capital shs.	Issue to 1st pfd. shs.	Proposed capital shs.
1st pfd.	5,657	11,314	11,314
2nd pfd.	.....	5,657	5,657
Com.	20,793	5,657	26,450

The present common shares would remain as they are, except for the dilution due to the increased issue.

Reduces Dividend Charges

Annual dividend distributions on the 5% first preferred would total $28,285 compared with $39,599 on the present 7% preferred. With payments on the new second preferred annual fixed dividend distributions would be $33,942. No dividends are being paid at present.

Last year the company had a net profit of $28,472 equivalent to $5.03 a share on the present 7% preferred, compared with $1.08 a share in 1935 and $3.94 a share in 1934. The results in 1936 are regarded by the management as approximately what the company may expect to experience in earnings in the immediate future.

In order to issue the proposed additional common stock the authorized amount of this issue would be increased from 21,000 to 30,000 shares, of which 3,550 shares would remain unissued.

Sales of Crown Cork Are Up 27% This Year

From Our Own Correspondent

MONTREAL. — Sales of Crown Cork and Seal Co. for the five months ended May 31 show an increase of 27% over a like period in 1936. While no figures are available on earnings, it is understood that the gain has been proportionate to the advance in sales.

Last year the company reported a net profit equivalent to $1.63 a share on the common, the only stock outstanding, as against $1.17 a share in 1935.

Company Reports

Canadian Converters

Profits of Canadian Converters Co. for the year ended April 30, 1937, were disappointing because of continued keen competition existing in all fields of the company's activities. Operating profits totalled $22,809, compared with $46,003 the year before. Net profit available for dividends totalled $1,236, as against $3,378 in 1936.

The only change of interest in the balance sheet is an increase in inventories from $473,051 to $559,874. This is reflected in an increase in accounts payable, which now stand at $127,896.

Income and Surplus Account
Years Ended April 30

	1937 $	1936 $
Operating profit	22,810	46,003
Invest. income	2,207	2,475
Profit on inv. sold	5,317	......
Gross income	30,334	48,478
Fees, salaries	16,898	19,100
Prov. for depreciation	12,000	25,000
Prov. for income tax	200	1,000
Net income	1,237	3,378
Dividends	34,670	34,670
Deficit	33,433	31,292
Prev. surplus	500,344	531,636
Surplus forward	466,911	500,344

Working Capital

	1937 $	1936 $
Current assets	731,513	716,643
Current liabilities	150,785	102,231
Working capital	580,728	614,412

Dominion Textile

Dominion Textile Co.'s financial statement for the year ended March 31, 1937, shows a dividend earned on the common stock for the first time since 1934. The balance remaining after all charges amounted to only $187,695, and of this sum $150,000 was set up as a reserve against possible outcome of patent litigations and other contentious matters now pending.

Financially the company came through the year in good condition, the balance sheet as at March 31, showing a further strengthening. Net working capital at $8.9 millions, showed an increase of about $1 million over the previous year. There are no major changes among the liabilities, while among the assets, accounts receivable showed an increase from $2.5 to over $3.1 millions.

Merchandise and supplies on hand increased during the year from $2.3 to $2.6 millions. Marketable securities held by the company have a book value of $3.3 millions and a market value of about $3.8 millions. This contrasts with a book value of $3 millions and a market value of over $3.1 millions at the end of the previous year. There was a moderate increase in investment and advances to subsidiaries, while the property account now stands on the books at close to $29 millions, an increase of over $300,000 during the year.

Income and Surplus Account
Years Ended March 31

	1937 $	1936 $
Trading profit	3,012,399	2,322,441
Investment income	504,098	466,979
Gross revenue	3,516,497	2,789,420
Less: Depreciation	1,221,629	1,180,403
Directors' fees	10,990	10,520
Executive salaries	72,554	66,912
Legal fees	50,792	1,103
Bond interest	199,410	201,371
Bond premium	2,200	2,150
Income tax	285,384	202,000
Net profit	1,673,537	1,124,961
Less: Pfd. dividends	135,842	135,842
Com. dividends	1,350,000	1,350,000
Surplus	187,695	360,881
Previous surplus	5,393,423	5,825,876
Less: Bond discount	16,750	16,750
Income tax adjust.	......	54,822
Trans. contingencies	150,000	......
Surplus forward	5,414,368	5,393,423

* Deficit

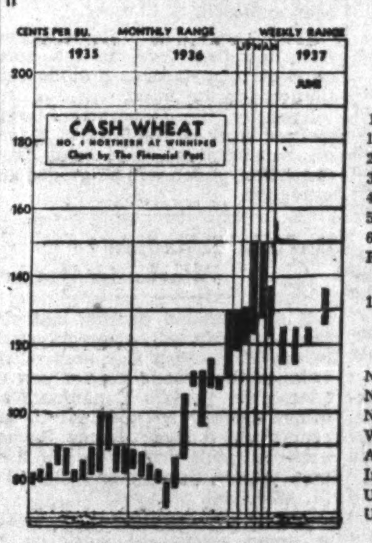
Working Capital

	1937 $	1936 $
Current assets	10,972,781	9,835,546
Current liabilities	2,060,970	1,855,470
Working capital	8,911,811	7,980,076

Investment Trusts

	Bid	Asked
Can. Amer. Trust	4.50	4.80
Can. Invest. Fund	4.35	4.7[illegible]
All Can. Trustee	14.25	14.7[illegible]
Trans-Canada	...	14.30
Grouped Income	6.05	6.65
Can. Equity	13.00	...
Can. Int. Tr., modified	6.00	6.50
Do., unmodified	5.50	6.00

Wheat Prices



(Cash Quotations)

	For Week June 28 High	For Week June 28 Low	Prev. Week High	Prev. Week Low
1 Man. Hard	1.36⅛	1.26⅞	1.25½	1.20½
1 Northern	1.36	1.28⅝	1.25⅝	1.20¼
2 Northern	1.34⅜	1.24⅞	1.23½	1.18⅛
3 Northern	1.30⅛	1.21	1.21	1.16
4 Northern	1.27⅛	1.18⅜	1.17½	1.12½
5 Wheat	1.17⅝	1.10⅝	1.10	1.05
6 Wheat	1.13⅝	1.06⅝	1.05	1.00
Feed Wheat	.97⅝	.90⅝	.90	.85
Vancouver: Week to June 25:				
1 Northern	1.26⅛	1.21⅞	1.20½	1.14⅛

Competitive Export Prices:

June shipments	Week to June 25 High	Week to June 25 Low
No. 1 North. (afloat)	unquoted	
No. 1 North. (Atlan.)	1.43¾	1.38⅞
No. 2 North. (Atlan.)	1.42	1.36⅝
West Australian (afloat)	1.33	1.28⅛
Australian	1.33¾	1.28⅞
Indian (new crop)	1.30	1.27⅝
U. S. Soft White Pac.†	1.34¼	1.26½
U. S. 2 Hard Winter‡	1.37⅝	1.28½

†Sept. ‡Aug.

Winnipeg Grain Futures

Week to June 28, 1938

Crop year from Aug. 1, 1936 High	Low		Open June 23	High for week	Low for week	Close June 28
		Wheat				
1.47	1.03¾	July	1.23¼	1.35⅞	1.22¾	1.35⅛
1.31½	1.04⅞	Oct.	1.18	1.31⅛	1.17⅝	1.31⅝
1.29½	1.07	Dec.	1.17	1.29½	1.16	1.29½
		Oats				
.61⅞	.43⅜	July	.56¼	.61⅞	.56¼	.59⅞
.54¾	.41	Oct.	.46	.49⅝	.46	.49⅝
.47⅝	.38¾	Dec.	.43¼	.47⅝	.43¼	.47
		Barley				
.83⅛	.56¾	July	.63⅜	.67½	.63	.66¼
.75¼	.51	Oct.	.58½	.64½	.58⅛	.64¼
.64½	.58	Dec.	.....	.64½	.58	.64⅛
		Flax				
2.05	1.60	July	1.64½	1.74	1.64	1.73½
2.01	1.61	Oct.	1.65½	1.76	1.64	1.75⅞
1.76	1.70¼	Dec.	.....	1.76	1.70¼	1.75
		Rye				
1.30	.78¼	July	1.18	1.30	1.18	1.29½
1.04½	.75⅞	Oct.	.84¼	.94½	.84¼	.94¼
.93⅝	.74	Dec.	.82¼	.92⅝	.82	.92⅝

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Week in Mining

Keynes Doubts U.K. Has Gold Surfeit

Economist Urges More Data on Gold Picture Within Empire

In a plea for more explicit information from government officials relative to the gold situation, J. Maynard Keynes, one of the world's economic authorities, in a letter to the London Times, expresses doubt that the United Kingdom has a surfeit of gold.

The secrecy of Sir John Simon and his colleagues in dealing with the gold problem is the prime cause for nervousness within and without the United Kingdom, Mr. Keynes believes. Writes Mr. Keynes:

"No one knows how much gold we already have, or how far it is required to offset the so-called 'hot money,' that is, abnormal foreign balances held precariously in London. It is quite possible that we need all the gold we have, if we are to avoid relapsing into the position discovered by the Macmillan Committee of having larger short term liabilities to foreigners than we know how to meet . . . We have to remember that if there is another emergency, (such as the Great War) there will be no possibility of our being able to borrow abroad. An impregnably liquid financial position is one of the safeguards against trouble which should not be neglected."

Assumed Surfeit

Mr. Keynes is reassuring. It has been taken for granted among some commentators that the United Kingdom is in the same plight as the United States, and could not afford to accumulate any more gold. This conclusion is "contrary to the expectations" of this authority. In any event, Mr. Keynes suggests that if study of the situation reveals that the United Kingdom has all the surplus of gold it can reasonably require, other members of the Empire commonwealth be asked to help carry the weight of gold by exchanging their sterling resources for earmarked gold.

It should also not be forgotten that if political confidence returns to France, that country may easily, with the return of French capital, absorb a considerable amount of gold. Again, there is no reason why, once fear of a drop in gold prices is mitigated, India and other notorious gold hoarders may not again begin absorbing gold for private account.

* * *

Gold and Commodities

In a series of three articles appearing in the London Times and summarized in this issue, Hon. R. H. Brand, director of the Bank of England, points out again that commodity prices have not risen in any way proportionately with the rise in the price of gold. Mr. Brand argues, therefore, that a rise in costs sufficient to offset the higher gold values is "out of the question."

This is probably true, but the fact remains that cost of production is rising in Canada, and has risen steadily since 1934, with the result that the widest margin of profit in Canadian gold mines was, it is estimated, reached during the six months ended Mar. 31, 1934. The fact that wholesale price index has not as yet risen in proportion to the gold price index, does not prove that prices will not tend, in the next few years, to come up to the level of gold prices, barring any disturbing factor. This rise in costs is held responsible for the slackening in increased gold production commented on in a recent issue of this paper.

* * *

Hydro on Mining

Annual report of the Hydro-Electric Power Commission of Ontario for the year ended Oct. 31, 1936, carries some comments of significance for the mining investor.

The commission is contemplating an additional unit at its Alexander plant on the Nipigon River, largely on account of activity in the Little Long Lac gold field. Within a comparatively short time, the commission's report states. "The Little Long Lac gold field will require not less than 7,000 horsepower with an ultimate increase, during the coming 18 months, of some 13,000 h.p."

Commenting on power operations in Northern Ontario, the commission briefly analyzes the effects of low-cost power and high-priced gold as follows:

"There has been continuous increase in the use of electric energy in the northern goldfields. This has been made possible almost to an equal extent by the increase in the price of gold to $35 an ounce and by a supply of power, chiefly from the commission's plants, at a standard price ranging from $32.50 to $35 per horsepower, according to voltage.

"Operating together these two factors have made possible the opening up of great deposits of marginal ore that could not have been profitably turned into bullion, when gold was worth $20 an ounce and power was supplied generally at $50 per horsepower."

* * *

Index to Mining Stocks

Selling pressure forced prices for mining stocks sharply lower between June 21 and 23, before a moderate rally occurred on the following day. Both base metals and golds were affected, although movements in the gold section attracted most attention, with heavy sales of gold shares reported also from London and South Africa. The Dominion Bureau of Statistics daily gold index moved up from 105.2 on June 17 to 106.9 on June 19, and then dropped to 101.6 on June 23, with recovery limited to one full point on the following day. Base metals advanced in the opening day of the week under review before falling from 255.1 on June 18 to 234.9 on June 23, and then closing at 244.4 the next day. The general mining stock index recorded a net loss of 3.7 for the week ended June 24, the final daily figure being 130.2.

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MacFarlane Long Lac Starts Shaft Sinking

Results of diamond drilling on the MacFarlane Long Lac Gold camp have proved the ore body in the northern part of the property, locating it for a distance of about 600 ft., says Frank J. McFarlane, president, in a progress report. Shaft sinking operations have begun.

Drilling disclosed values as high as $52.15, with indicated vein widths from 31 in. to 14 ft. Values were obtained to a vertical depth of approximately 300 ft. Mr. McFarlane believes that the vein will be intersected by the shaft some time during July. A. Hasselbring, M.E., is in charge of work, with W. McFarlane, original staker, and A. R. Farrell.

Nickel Sales To Japanese Likely Soon

B. C. Company Expects 5-year Contract for 500 Tons a Day

PLAN NEW PLANT

From Our Own Correspondent

VANCOUVER. — Although no formal contract has yet been negotiated, prospects for developing large sales of nickel concentrates in Japan are exceedingly bright, C. D. Kaeding, consulting engineer of B. C. Nickel Mines, Ltd., told shareholders at the annual meeting here.

Mr. Kaeding says that Japanese have no refining process of their own so far, although experiments are being carried out with B.C. nickel ores in the Far East, and meantime directors are considering the establishment of a concentrator near the nickel property at Choate.

The meeting did not have the new agreement between the company and the developing syndicate before it. The syndicate is composed of Col. Victor Spencer, Ben Smith, of New York, and Mr. Kaeding. The agreement was withdrawn as a sequel to litigation. Mr. Kaeding would not stand for a renomination to the board, which includes A. H. Douglas, J. T. Johnson, Dr. R. B. Boucher and T. L. Carr as well as Col. Spencer and Mr. Smith.

Establish Small Mill

Mr. Kaeding, the Toronto engineer who took over some of the late David Sloan's interest in B. C. Nickel, says that the new agreement originated with him. The old agreement he regarded as one of the most unusual documents he had ever seen inasmuch as it committed the company to a 1,100-ton mill before the possibilities of the property were known. He suggested that the company should first establish a relatively small mill, say 250 tons, such as Falconbridge had done.

"Developing a nickel mine is not like planning a gold or copper mine," says Mr. Kaeding. "It is really in a category of its own. There is primarily the creation of a market; and in addition there is the vital legal point that the refining process is patented in Canada and the United States, so that it is necessary to seek a market elsewhere. We negotiated with International Nickel and Falconbridge, but made little progress for reasons that are readily understandable.

Japanese Market

"This situation led to our examination of the Japanese market as there are no restrictions against concentration of ores. Within a few weeks we hope to develop a five-year contract with two Japanese firms, which we hope will be sufficient to permit the successful operation of the mine. These firms are now ready to discuss terms on upward of a 500-ton daily basis, and we hope that arrangements will be included for payment of other metals in the ore."

Development will go forward according to the original plan, although Mr. Kaeding believes the new agreement more feasible. Present development indicates well over 1,000,000 tons of ore with nickel values approximately 1.4% and minor values in gold, copper, lead and zinc.

Faulkenham Lake Gold Encouraged Underground

Underground development at Faulkenham Lake Gold Mines is opening a much wider zone than was expected and indicating ore of commercial grade, according to Colin A. Campbell, president, who has just returned from a visit to the property. Work is for the present being confined to the 125-ft. level with a view of determining the full length of the ore shoots to the east.

The most important ore intersection so far disclosed has been that in the 105 crosscut on the main vein. Drifting is now being done to the east in ore of good grade. A length of about 80 ft. has already been proved, and crosscuts are being run at 35 ft. intervals to determine the width of this vein, which is considerably wider than anticipated from surface work and diamond drilling.

Some 20 feet ran $12.60 in the 105 crosscut and farther west 13.5 feet averaged $17.85. Thirty-five feet east of the crosscut an average of $7.50 was secured across 9½ feet. The drift is now about 40 feet east of where the $7.50 grade was cut.

Pend Oreille Planning Big Tonnage Increase

An increase in daily tonnage handled at the Metaline plant of Pend Oreille Mines & Metal Co. should be under way by July 15, and reach 600 tons daily, Lewis P. Larsen told shareholders at the annual meeting of the company in Vancouver recently.

Mr. Larsen stated that the hydro-electric plant on the Pend Oreille River under construction by the company is expected to be in operation by Aug. 1, with an initial capacity of 2,250 h.p. and an ultimate capacity of 4,500 h.p.

During the year, $250,227 was expended for capital improvements, and arrangements have been made to mortgage the power project, and issue ten-year 6% bonds to the amount of $400,000 dated July 1, and thus assure funds for completing the initial power unit, and a balance for installation of the second.

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News Concentrates

Anaconda Oil Co. in a report from A. J. Scott, managing director, advises that its well on the Steveville structure known as Anaconda-Steveville No. 1 was spudded in June 15, and as at June 19 had been drilled to a depth of 90 ft.

* * *

Barber-Larder Lake reports that diamond drill hole No. 10 on its McGarry twp. property in Larder Lake mining division has disclosed continuous values over a total length of 50 ft., with approximately 10 ft. running between $15 and $18 per ton. Four assays returned $23.45, $24.15, $11.55 and $14.35, respectively. Over the rest of the distance, both above and below the high-grade ore, values run from 70 cents to $5.95. Average of 16 core assays is $2.66.

* * *

Delosha Porcupine Mines is stripping and test-pitting with hand steel at the property in Shaw twp., Porcupine district, reports C. O. Smokler, mine manager. He advises that the two veins at present being developed are well mineralized and widening as depth is attained. Assessment work has been completed and will be filed immediately on the company's No. 2 group of six claims tying onto the Deloro twp. boundary

* * *

Denison Nickel Mines advises that drifting on the 200-ft. level at its property in Sudbury district has opened the ore body for 110 ft., with the west face still in ore. J. C. Rogers, consultant, estimates that the first 30 ft. run 1.28% copper and 1.83% nickel, or a combined nickel-copper average of 3.11% after allowing 25% for sorting. He expects that platinum values will run about .10 oz. per ton. Drifting east and west is continuing in the ore body.

* * *

Doreva Gold Mines until additional compressor and pumping equipment is delivered, will continue the drift to the west on the 150-ft. level at the Bousquet twp. property, says Carl F. Dietz, president, in a progress report. The drift is now in about 80 feet. Company plans to sink the shaft another 150 ft. and follow this by drifting and crosscutting on the 300-ft. level. About 7,000 of the 8,000 ft. of drilling so far completed has cut the vein system near the shaft. Most favorable indications have been found west from the shaft.

* * *

Fernland Gold Mines adjoining Omega in Larder Lake area, cut an intersection at the 400-ft. horizon in No. 14 hole returning $2.06 over 10 ft., the company reports. No. 17 hole, 100 ft. west of No. 14, cut 24 in. running $4.15, while No. 16 hole, 156 ft. east of No. 11, ran $2.37 over 18 ft.

* * *

Fontana Gold Mines expects to to make an early start on shaft sinking to investigate the possibilities of "C" zone, as it now has the headframe, hoist and one compressor in place. Assays in "C" zone returned values up to $42.70 per ton in gold.

* * *

Freegold Mines has completed the shaft at the property in Launay twp., Quebec, to a depth of 145 ft. and cut a station, reports J. Manion, mine superintendent. Crosscutting in two directions has begun. Shaft objective is 150 ft. In the No. 3 hole a four-foot section ran $15.40 in gold per ton.

* * *

Halliwell Gold Mines has secured an option to buy the surface rights on an area of 50 acres as a possible townsite, and has completed some diamond drilling on the west and south. Company will undertake similar work shortly on the east in order to protect its rights on mining claims. This Rouyn twp. property encountered a high-grade lens running over 15% in copper 142 ft. from the shaft on the third level. Main crosscut is now in about 300 ft.

* * *

Lochgold Mines in the Goudreau section of the Lochalsh-Goudreau area, reports that the discovery vein, in reality two veins in close proximity, has been uncovered for 200 feet, and for this distance shows an average width of six ft. Another vein striking approximately at right angles has been traced on surface for 500 ft. Where exposed, it is about four ft. wide.

* * *

Norlake Mining Corp. working an optioned property in the Opemiska area of Quebec, advises that two bulk samples weighing altogether about 127 pounds, after testing at Cobalt returned 23.5 oz. in gold to the ton in No. 1 samples, with No. 2 sample returning 23.1 oz. of gold to the ton. Material was taken from a six-inch rich section of a vein which is being opened in a test pit.

* * *

Planet Gold Mines is advised in a progress report from Douglas S. Baird, mining geologist, that a geological survey has been completed on the Michipicoten property and that diamond drilling is currently under way. No. 1 hole, completed to 355 ft., encountered two showings of visible gold in a quartz stringer at a depth of 144½ ft., while No. 2 hole, drilled 200 ft. north of the projection of No 1, was stopped at 288 ft. Mr. Baird reports that several showings of gold were noted at 44 and 67.8 ft. Assays will be available shortly, it is expected.

* * *

Porcupine McNabb Gold Mines has completed 10,000 ft. of drilling at the property in Macklem twp., Porcupine mining district, with results warranting sinking operations, says Frank J. McFarlane, president, Financial arrangements are continuing with a new group and no delay is anticipated in the new work. With the additional claims it has acquired, Porcupine McNabb now has holdings of about 2,000 acres.

* * *

Porcupine Triumph Gold Mines is advised in a report by H. B. Hatch, geologist, that installation of the mining plant is well advanced. The building to house the compressor, boiler and hoist has been designed and will shortly be erected. Mr. Hatch says concrete is being poured for the hoist foundation, which will allow the plant to be in operation not later than the first week in July.

* * *

Ronda Gold Mines which is a consolidated of Neville Canadian and Sharon Gold Mines in Shining Tree area, reports that favorable progress is being made in sinking the internal shaft from the 300-ft. level, the opening having passed the 445-ft. horizon after the cutting of a station at the 425-ft. level. Shaft is being continued to 550 ft., at which depth another horizon will be established.

* * *

Shenango Gold advises that present work on the property at Oba in Algoma district is being concentrated on a new high-grade discovery on the "Paymaster" vein, where a shaft is being sunk. Vein in the shaft shows a width of 72 in., and samples taken in one-foot sections across this distance returned an assay for the full width of $74.55 in gold per ton.

* * *

West Red Lake Gold is centring work this year on surface exploration. A prospector has been in the field in charge of this work for some weeks. In its annual report for 1936, the company showed current assets of $14,917 as against current liabilities of $107.

Hutchison Lake Opens 2 Levels

Expect to Cut Main Vein in Four Weeks' Time

From Our Own Correspondent

SUDBURY. — The development programme at the property of Hutchison Lake Gold Mines, located four miles north of Geraldton, in the Little Long Lac district, is progressing favorably, according to George Papineau, director, who was in Sudbury at the week-end. A three compartment shaft has been sunk, and lateral work is proceeding on two levels, at 125 and 225 feet, north and south from the shaft. It is expected to cut the main vein in about four weeks time. During crosscutting operations, Mr. Papineau states, nine veins, running from six inches to three feet in width have been intersected, but none of them has been explored.

The management plans raising from the first level in the north crosscut to surface, to provide ventilation for the mine.

Recently the Government commenced work with a force of 20 men on construction of a road from Geraldton, which will be graded and gravelled.

Buffalo Canadian Works in Quebec

While diamond drilling and surface work carried out on its option in the White Fish Bay area of the Lake of the Woods district was inconclusive, Buffalo Canadian Gold Mines deemed it expedient to surrender the option, James Savage, president, tells shareholders in a report for the fiscal year ended Dec. 31, 1936, just released.

At the present time the company is doing assessment work on six claims in Beauchatel and Rouyn Twps., Quebec. These claims may have to be transferred to a company with a Quebec charter, under legislation recently made effective in Quebec.

Buffalo Canadian owns 264,000 shares of LaRoche Mines, which company sold its assets to Delnite Mines. Buffalo Canadian will receive 105,600 Delnite shares. Delnite has completed its 200-ton mill, as recently reported in The Financial Post.

Buffalo Canadian, in a balance sheet as at Dec. 31, 1936, shows current assets, comprising cash, of $13,875, against current liabilities of $1,538. Capitalized at 3 million shares, no par value, the balance sheet shows 2,439,382 shares issued at the end of the year.

Normetal Mining Builds Rail Line

From Our Own Correspondent

QUEBEC.—Construction of still another railroad in the Quebec mining district will get under way in the very near future, but this time it is merely a branch line which is a private enterprise, and which will be merely devoted to more rapid exportation of mineral ore, with a greater number of men being employed as a result.

The line in question will be built by Normetal Mining Corporation, and will run from the company's mine, in northwest Quebec, to the Canadian National Railway line at Dupuy.

Permission to build the line has been granted by the Quebec Government, without any "red tape," and work can start on it as soon as ever the company desires.

Quebec Manitou Reports More Good Drill Values

Quebec Manitou reports that diamond drill hole No. 25 returned 30.3 ft. of core at vertical depth of 350 ft. running 2.06 oz. gold, 11.15% zinc, one oz. silver and .2% copper per ton. Over the core length of 30.3 ft. the gold average runs .51 oz. across 8.9 ft., 1.38 oz. across 2.1 ft., .23 oz. across 3.6 ft., .16 oz. over three ft., .32 oz. across 4.7 ft. and .35 oz. across 4.8 ft.

No. 26 hole, in a section at 380 ft. vertical depth, gave 19 ft. of core running .04 oz. gold, 13.32% zinc, one oz. silver, .08% copper and .18% lead per ton. The second section in this hole returned 16 ft. of core at 430 ft. vertical depth, running .05 oz. gold, 13.18% zinc, 5.5 oz. silver, .11% copper and 1.08% lead. This hole is 200 ft. west of hole No. 25 and 400 ft. west of the section with five drill holes across it.

No. 27 hole is 100 ft. west of No. 25 and 300 ft. west of the first important section. No. 28 hole has been completed 100 ft. west of No. 26, and its first section, at 340 ft. vertical depth, ran .01 oz. gold, 1.1 oz. silver, 10.4% zinc, .05% copper and .2% lead for nine ft. of core. Second section, for 8.2 ft. core length, ran .05 oz. gold, 2.73 oz. silver, 5.6% zinc, .07% copper and 1% lead. Holes Nos. 29 and 30 have been completed. To check indications from a geophysical survey, one hole is to be drilled 1,200 ft. west of hole No. 20 and the other 900 ft. east of hole No. 11.

Quebec Manitou, which is in Bourlamaque twp., Quebec, intends to establish three levels to 575 ft. depth to investigate the interesting indications of gold-zinc ore. Existing options, if fully exercised, will bring the company's cash position to around $400,000. There will be 600,000 shares left after exercise of the present options.

SEC Dismisses Teck's Attempt To Delist Stock

Canadian Mine Failed to Appear at Washington Hearing

Another round has been fought in the entering struggle of Teck-Hughes Gold Mines, Kirkland Lake producer, to withdraw its stock from listing and registration on the New York Curb Exchange.

Because Teck-Hughes did not appear at a hearing held last April in Washington, D.C., the Securities and Exchange Commission has ruled that the application to withdraw should be dismissed.

At the hearing, the New York Curb Exchange, which has been fighting the withdrawal, made a motion to dismiss the application on the grounds that the application was in accord with the rules of the Exchange, and that no facts were presented on which the Commission could properly act. The attorney for the Commission joined in the motion on the grounds that the applicant failed to present facts upon which it could be determined whether any terms for the protection of investors would be necessary.

"In a proceeding such as this," the Commission rules, "it is our opinion that the applicant has the burden of establishing the facts with respect to the application. Since Teck-Hughes Gold Mines did not appear at the hearing, and introduce evidence, it is apparent that it has failed to perfect its application by sustaining the burden of proof, and of showing compliance with the applicable rules of the exchange."

Jedder Gold to Work Lake of Woods Group

From Our Own Correspondent

SUDBURY.—J. E. Derraugh, mine manager, is leaving immediately with a force of men to commence exploration of the Kenora holdings of Jedder Gold Mines, it was announced here Saturday. The company owns nine claims in the Lake of the Woods section, the main showing consisting of a wide ore zone averaging roughly 20 feet across which has been traced for 800 feet. Further development of the surface showings will be undertaken and the property will be given a systematic sampling. The property was actively prospected by Mr. Derraugh last summer and is owned outright by Jedder Gold Mines.

A complete report covering the programme of diamond drilling at the Schreiber property of Jedder Gold will be issued shortly, it is stated by officials.

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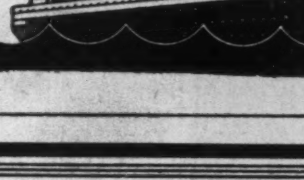

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And Associated Companies

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Prairie Royalties Ltd.	Drilling below 4,414 feet, June 26th.
Firestone Petroleums Ltd.	Drilling below 2,956 feet, June 26th.
Westflank Oil Co. Ltd. No. 1	Drilling below 2,520 feet, June 26th.
Westflank Oil Co. Ltd. No. 2	Derrick completed, rigging, preparatory to spudding-in early in July.
Westflank Oil Co. Ltd. No. 3	Digging cellar.
Spy Hill Royalties Ltd.	Derrick completed, rigging, preparatory to spudding-in.
Sundance Royalties Ltd.	Location.
Frontier Royalties Ltd.	Location.
Coronation Royalties Ltd.	Location.
Drilling Contractors Ltd.	Owning and operating 4 modern heavy-duty rotary rigs. Replacement value approximately $400,000.

The Anglo-Canadian Development & Holding Co., Ltd., and its Associated Companies own . . . 1,560 acres in South Turner Valley . . . 5,000 acres on Steveville Structure . . . 2,560 acres on Taber Structure. And hold under permit . . . 6,400 acres on the Mill Creek Structure adjacent to the Weymarn Well . . . as well as owning a 6% Royalty Interest in the Weymarn Well.

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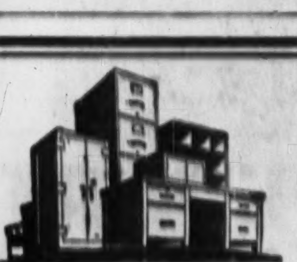

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Toronto Lists Monarch Stock

Turner Valley Operation Is Close to Limestone Objective

Stock of Monarch Royalties has been approved for listing on the Toronto Stock Exchange, trading having started Monday, June 28.

Monarch Royalties was incorporated under Alberta laws in Nov., 1936, with an authorized capitalization of $625,000 divided into 2.5 million shares, 25 cents par value each, of which 1,250,000 were issued as of June 14.

Monarch holds an assignment of a sub-lease from Anglo-Canadian Development & Holding Co. covering petroleum and natural gas rights for which 1,250,000 shares were issued. Of these, 800,000 shares were sold to net the company 20 cents a share, proceeds to be used for drilling by Anglo-Canadian, which has a derrick and rotary equipment on the property. If the $160,000 raised from the sale of these 800,000 shares is not sufficient to complete the well, additional shares of the Anglo-Canadian block will be sold. Any money left in the hands of the trustee after completion of the well will be paid to Monarch if it results from sale of the 800,000-share block, and to Anglo-Canadian if it results out of the remaining shares. Currently the well is being drilled at about 6,500 ft. and is in the home sands. According to the incorporation agreement, net proceeds on oil and gas from the well are to be distributed by the Trusts and Guarantee in quarterly payments to shareholders.

The Financial Post Survey of Canadian Oils lists as directors of Anglo-Canadian Development & Holding Co. F. P. Byrne, pres.; A. K. Leitch, man. dir.; H. E. Howard, sec.; John Sherman, field sup.; W. E. Gray, O. R. Soley, Calgary.

Doreva to Deepen Shaft To Work Level at 300 ft.

Until additional compressor and pumping equipment is delivered enabling the company to deepen the shaft to 300 ft., the drift to the west on the 150-ft. level at Doreva Mines will be continued, Carl F. Dietz, president, reports. Additional supply of compressed air for the drills will enable the crew to operate on three faces simultaneously, but the plan is to sink the shaft another 150 feet as quickly as possible, and carry out lateral work on the 300-ft. level.

Lewis A. Dunham, consulting engineer, who recently examined this property, states that in some respects the vein at the 150-ft. level is more favorable than it was at surface.

Mining Company Charters

Newly Formed

Deramar Mining Co.—Que. incorp. Apr. 27, 1937. H. O., Quebec, Que. Auth. cap. 145,000 shares, $1 par.

Guillet Gold Mines—Que. incorp. Apr. 29, 1937. H. O., 81 Maine St., Rouyn, Que. Auth. cap. 3,000,000 shares, $1 par.

Laurier Exploration—Que. incorp. Apr. 28, 1937. H. O., Montreal. Auth. cap. 4,900 shares, $10 par.

Ells Larder Mines—Ont. incorp. May 8, 1937. H. O., Townsite of Kirkland Lake, Ont. Auth. cap. 3,000,000 shares, $1 par.

Saugeen-Davidson Gold Mines—Ont. incorp. May 13, 1937. H. O., Southampton, Ont. Auth. cap. 3,000,000 shares, $1 par.

Leona Gold Mines—B. C. incorp. May 14, 1937. H. O., 604 Randall Bldg., 535 Georgia St. W., Vancouver. Auth. cap. 2,000,000 shares, n.p.v.

Waterloo Gold Mines—Will apply to the Supreme Court of British Columbia, May 26, 1937, for an order restoring the company to the register of companies. Upon such motion will be read the petition of the said company dated May 11, 1937.

Beaver Dam Gold Mines—Que. incorp. May 25, 1937. H. O., Montreal. Auth. cap. 1,400,000 shares, $1 par.

Burlington Mining Syndicate—Ont. incorp. June 1, 1937. H. O., Toronto. Auth. cap. 25,000 shares, $1 par.

Duverny-Daignier Gold Mines—Que. incorp. May 5, 1937. H. O., Montreal. Auth. cap. 3,000,000 shares, $1 par.

Hepa-Tricia Syndicate—Que. incorp. May 29, 1937. H. O., Montreal. Auth. cap. 150,000 shares, $1 par.

Mid-Nite-Sun Mining Syndicate—Ont. incorp. June 1, 1937. H. O., Toronto. Auth. cap. 35,000 shares, $1 par.

Prospects Ltd.—Que. incorp. May 18, 1937. H. O., Val d'Or, Que. Auth. cap. 20,000 shares, $1 par.

Capital Changes

Reeves MacDonald Mines—Has been issued supplementary letters patent as of Apr. 19, 1937, converting the 3,000,000 shares without nominal or par value of the capital stock of this company into 3,000,000 shares of the par value of $1 each.

Obalski Mining Corp.—Has been issued supplementary letters patent as of Apr. 29, 1937, converting preferred shares of the company into common shares by the issue and exchange of two and one half common shares for each preferred share; the whole with expenses.

Gillies Lake-Porcupine Gold—Under supplementary letters patent dated May 27, 1937, has increased its capital from $2,000,000 to $2,750,000 by the creation of an additional 750,000 shares of $1 par.

Gomak Mines—Has increased its capital from $1 million to $4 millions by the creation of 3 million additional shares, $1 par, under supplementary letters patent dated May 27, 1937.

Planet Gold Mines—Under supplementary letters patent dated June 2, 1937, has increased its capital from $2 millions to $3 millions by the creation of 1 million additional shares of $1 par.

Change in Name

Stewart Bridge River Gold Mines—Changed its name as of May 13, 1937, to Stewart Canal Gold Mines.

Homathko Gold Mines—Passed a special resolution April 30, 1937, changing its name to Homiat Mines, whereby it was resolved that Homathko Gold Mines be wound up voluntarily.

Bridge River Motherlode—Changed its name to Winslow Consolidated, Ltd., on April 26, 1937. (B. C. incorporation).

Cannell Creek Mines Ltd.—Changed its name as of May 27, 1937, to Birkenhead Mining Co. Ltd.

Stewart Bridge River Gold Mines—Changed its name as of May 13, 1937, to Stewart Canal Gold Mines, Ltd.

Surrender of Charter

Gold Lake Area Manitoba Mines—As of May 21, 1937, gives notice that it will apply to the Secretary of State for Canada for acceptance of the surrender of its charter as and from a date to be fixed by the Secretary of State.

Hosking Mining Co.—Gives notice that it will apply to the Secretary of State for the acceptance of the surrender of its charter on and from a date to be fixed by the Secretary of State.

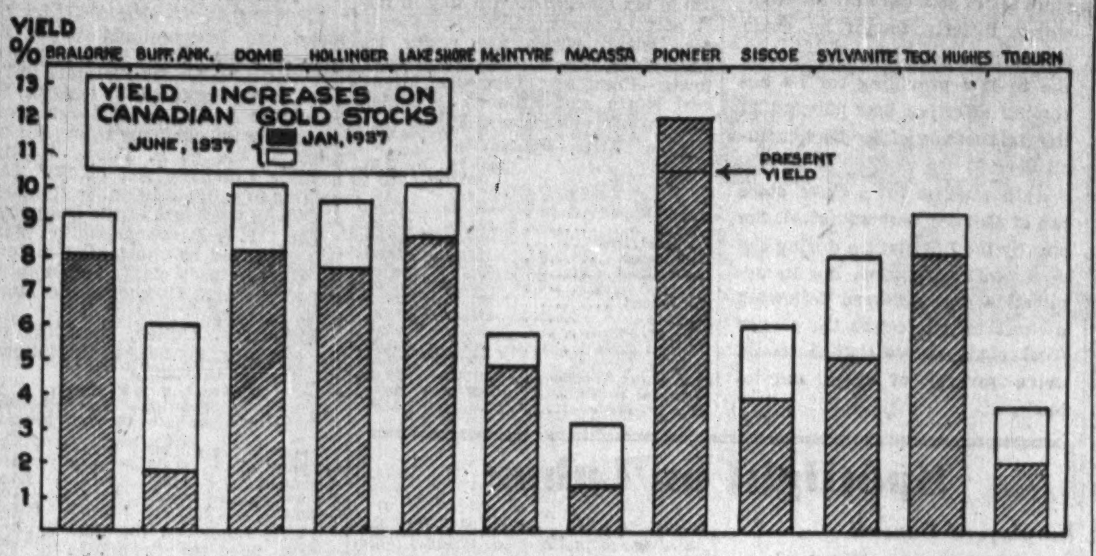
Powell Mining Properties (Rouyn)—Has surrendered its charter as of May 26, 1937, and will be dissolved as from June 21, 1937.

Beaver Mines—As of May 26, 1937, gives notice that it will apply to the Lieutenant-Governor of Quebec for leave to surrender its charter.

Revival of Charter

Golden Mining & Smelting Co.—Has been issued supplementary letters patent as of April 30, 1937, by the Secretary of State for Canada, reviving the charter of the above company (incorporated Nov. 26, 1900) in so far as it may have been and become forfeited and for whatever cause.

Drop in Market Price Increases Yield on Canadian Gold Stocks



Due to the generally depressed gold share market, which has driven the Toronto Stock Exchange index for 20 golds from a 1937 high of 168.59 to a low of about 108, Canadian gold stocks are today paying a greater yield than they have for many months.

This fact is important because, as the chart above shows, substantial increases in yields are shown by such gold stocks as Lake Shore, McIntyre, Porcupine, Dome, Hollinger, Sylvanite, and others.

Reason for the decline in price is general uncertainty, (much publicized) as to the future price of gold, and fears that labor troubles, fostered by the C. I. O. would cause a shut-down at some of the mines. An apparent apathy on the part of the public must also be included.

While statistics are not available, the general impression is that little headway has been made by the C. I. O. in Canadian gold mines. The only decisive action taken has been in connection with the strike at Cariboo, a strike which has obviously not advanced the prestige of the C. I. O. Mine, Mill and Smelter Workers' Union in this country. In Ontario recent wage increases, and other improvements to the miner's lot, have robbed the union of much of its ammunition. One Kirkland Lake mine has recently pioneered the giving of one week's holiday with pay to each miner.

As to the future of gold prices, enough has been written on this subject to keep the average person busy thinking for many months. As opinions become consolidated on the future of gold, it is plain that the majority of observers feel the serious industrial and commercial repercussions which would follow any material reduction in the gold price, make a consideration of such a move untenable, in the immediate future.

Certainly the feeling as to gold's immediate future is more cheerful today than it was two weeks ago, regardless of what may happen in a year or a decade. The market at time of writing has not reflected this change in atmosphere.

In the meantime, Canada's gold stocks are paying yields which make them unique among the various classes of investment.

Each mine, of course, is a problem in itself, which accounts for the variety of yields shown above, from Macassa's 3.2% to Pioneer's yield of 10.6%.

That the general rise of commodity prices, which was first noticeable mildly as early as 1933 but which gained its real momentum by the middle of 1936, has had its effect on earnings of gold mines, is evident from the profit and loss statements issued from time to time. There are good grounds for believing that Canadian gold producers reached their maximum profit margin under $35 gold in the early part of 1934. If gold prices are reduced even slightly, it is evident that this commodity price rise will be checked, thus making possible a situation in which gold mines, although deprived of a portion of the former price for their product, may be able to offset this by a return to 1934 cost levels.

News Concentrates

Rich Rock Gold Mines which sold its property to Addington Mines, reports that the 1,199,995 shares of Addington which Rich Rock received have been released from pool and are now available for distribution. Distribution will be on the basis of 41 shares of Addington for each 100 shares of Rich Rock. Should any additional assets remain after the expenses of distribution and subsequent surrender of the charter are met, they will be distributed pro rata among Rich Rock shareholders, says Noah Dyment, president.

• • •

Royal Canadian Oils has arranged finances for drilling its leases on the west flank of Turner Valley, it is announced. The north group lies directly on to the northwest of the Monarch, deepest well now drilling in the valley. The group is immediately between two other drilling properties, Davies Pete and McDougall Segur.

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Senore Gold Mines since issuance of the last progress report has completed an additional 5,212 ft. of drilling, starting at the Perron Gold Mines north border and extending about 1,200 ft. north. Drilling has intersected shearings eight times, these varying in width from 12 ft. to 26 ft. 8 in. Values obtained range from $2.10 in hole No. 19, over core length of 2 ft. 6 in. to $67.60 in hole No. 20 over core length of 1 ft. 7 in.

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Spooner Gold Mines in the Beardmore area spent $83,273 up to April 30, of which all but $4,965 has been spent at the property, it was announced at the annual meeting. Spooner is now diamond drilling to intersect the vein below the diabase sill, which is approximately 300 ft. thick. Surface work is at the same time progressing on the "Power" vein and other showings. Latest sample from "C" vein is said to have returned $25 across 4 ft.

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Upper Canada Mines will install a new electrically-driven plant as soon as the indicated ore bodies located by diamond drilling are proven. The company reports that lateral work on the three lowest levels is going ahead as rapidly as the small plant will allow. An ore zone in the immediate vicinity of the shaft and about 400 ft. wide was indicated by the complete diamond drilling programme.

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Ontario Nickel Corp. has added Paul M. Macklin and Peter Igoe of New York City to its directorate and is starting a third drill to work on its Mount Nickel property, north of the Frood-Stobie deposit, where drilling has been in progress since May 7 last. Assays for copper-nickel have been completed on the 90-foot intersection, indicating an average metal content over the entire length of .087% copper and 1.22% nickel. A continuous 35-foot section of ore from the centre averages 1.43% copper and 1.44% nickel. Drilling has so far been confined to the vicinity of the old workings.

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Lake Rowan Gold announces favorable results at Discovery Hill, where the company is driving an adit 80 to 100 feet below the vein system. The tunnel has been driven 480 feet, with assays completed to 438 feet, values being as follows: station 405, $145.60; 414, $101.85; 418, $64.20; 423, $41.30; 428, $30.10; 433, $35.90; 438, $53.90. Including the exploration done by diamond drilling east of the tunnel, the vein has now been proved up to about 780 feet, with both east and west ends still open.

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Virita Porcupine in Porcupine district, about two miles southeast of Dome Mines, has optioned seven claims adjoining Martin-Bird Mines on the southeast in Larder Lake area, and now has a crew working on the ground. The eastern extension of the Martin-Bird break has already been picked up, it is reported, and the management proposes to do considerable work in this section. Other breaks known to exist on the property will also be explored.

• • •

Wilwood Gold Mines in Night Hawk Lake section of the Porcupine camp, is reported to have sufficient cash on hand to allow continuance of exploratory diamond drilling. Shareholders have granted a month's extension to the underwriters on an installment of $15,000, due July 2, on 100,000 shares of treasury stock.

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North Huron Gold Mines—Capitalized at 3,000,000 shares, 1,275,007 of which were issued as at Jan., 1937, of which 1,000,000 are pooled, has completed No. 6 diamond drill hole on its property in Algoma district. The hole was bottomed at 722 ft. and intersected 2 shear zones. Hole No. 7 has been started about 300 ft. west of No. 6. Channel sampling of the last of four veins exposed, gave gold values varying from 35 cents to $51.10 per ton over a length of about 80 ft., it is reported. No. 4 vein shows a uniform width of 12-14 ft.

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Fernland Gold Mines—Has completed an additional hole on its property adjoining Omega in Larder Lake area, but assays are not yet available. The company had to pull No. 14 hole about 400 ft. down. No. 13 hole, 105 ft. west of No. 11, ran $1.06 from 259 ft. 8 in. to 285 ft. From 285 to 293 ft., values ran $12.12, and from 298 to 304 ft. $7.23. This gives a true width of about 2 ft. averaging $5.76.

Output Hits Peak At Kootenay Belle

B. C. Producer Aims at $44,000 Average Production

May production from Kootenay Belle Gold Mines, in the Ymir, B.C., camp, is the highest to date, released figures show. Production last month was obtained from 3,270 tons, for a gross recovery of $47,274, which includes $2,415 representing mill clean up at the time of relining the mill. Actual recovery per ton milled was $14.60. The company expects average monthly output of around $44,000.

Following is the monthly production to date from this property:

Month:	Tonnage	Recovery
January	2,612	$31,838
February	2,583	37,615
March	3,189	43,451
April	3,073	43,500
May	3,270	47,274

Obalski Mining Corp. Putting Up Plant at Cache

MONTREAL.—Progress is being made on the installation of the new mining plant on the Cache property of the Obalski Mining Corp., according to a report made to the company by H. E. Corbett.

Diamond drilling on the property continues to give good results, according to the engineer. Hole 19 returned values of $45 on "C" vein at 175 feet in the hole and $11.55 on "D" vein at 180 feet in the hole.

Gunnar Gold Dividend Seen

New Lengths and Values on 125-foot Level Reported

Gunnar Gold Mines, in the Big Rice Lake area of Central Manitoba, reports that ore grading 0.52 ounces, or $18.20 per ton, has been opened up at the 125-ft. level on No. 3 vein for a length of 190 ft., across 5.1-ft. width.

At the same time the mines' general ore reserve picture and financial position are reported to be in such shape that a dividend declaration can be expected in the near future.

A new compressor went into operation on June 1, which will largely increase power available for development work.

Gunnar Gold Mines started production on March 1, 1936. Net profit for the eight months ended Dec. 31, 1936, amounted to $149,510, after depreciation and development write-offs.

Current Chatter From Manitoba

From Our Own Correspondent

Hilding Johnson Returns

Hilding Johnson, who a few weeks ago left for Nicaragua to undertake some shaft sinking, has returned to Winnipeg and will shortly be again engaged in mining in Canada. Mr. Johnson is not particularly enthusiastic as to methods or conditions generally obtaining in the South American country.

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Denies English Purchase

While admitting negotiations are in progress looking to the development of the Hall claims at Falcon Lake, Captain George B. Hall says the statement recently published that English interests purchased the property for $250,000 with $50,000 cash is entirely incorrect.

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Encouragement at Eden Lake

J. A. Kilpatrick, who for some months has been working on one of Ontario's newest finds, Eden Lake, just over the Manitoba-Ontario line in the southeast corner of Manitoba, says conditions are looking fine. Two veins, 20 feet apart and each about four feet wide, have been traced over 2,200 feet. The stakers intend to do considerable more work before attempting to dispose of the property.

Montague Gold Mines Increases Issued Stock

From Our Own Correspondent

MONTREAL.—Montague Gold Mines report that there are now 1,097,431 shares outstanding of its authorized capital of two million shares. According to the agreement 323,100 shares remain in escrow at present, and 138,374 shares remain to be taken up at 35 cents a share in accordance with the underwriting agreement.

Consold. Chibougamau Sells Block of Stock

MONTREAL.—Consolidated Chibougamau Goldfields inform the Montreal Curb Market that 25,000 shares at $1 a share have been taken up and paid for under the terms of the option agreement. This leaves 165,000 shares under option at $1 a share.

B. C. Chemical Output

Forty-eight plants making chemical and allied products in British Columbia last year report a gross production value of $7,095,051, or an increase of $177,880 over the previous year. Some 1,169 persons were employed, on the average, at $1,685,727 in salaries and wages.

Your Mining Stocks

The Financial Post offers to subscribers a special mail service of information on Canadian mining securities. Letters of general interest will be published anonymously.

The Financial Post undertakes to supply *facts* about mines rather than opinions. We will not select lists of stock for investment nor make forecasts. We cannot answer enquiries by telephone or telegraph.

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A three-cent stamp and address label from The Financial Post must be enclosed. Address The Financial Post, 481 University Ave., Toronto.

Hollinger Consolidated

I would be pleased to get a brief summary of the position of Hollinger Consolidated Gold Mines, which I have always favored as a sound investment.

Hollinger Consolidated Gold Mines continues to maintain a strong position both financially and at its Porcupine property. Earnings per share in 1936 amounted to $1.18 as against $1.03 in 1935. Ore reserves have decreased slightly in value to $51,027,125 from $51,918,222 (gold at $20.67 per ounce) at the end of 1935. As the upper levels of the mine, from which low-grade ore has been obtained since gold prices rose, become worked out and closed, mine operating costs are expected to become somewhat reduced and recovery per ton increased.

The Young Davidson Mine, an outside property, has shown satisfactory results to date. The mill is now handling about 900 tons of ore per day. Results on other outside property have been inconclusive.

An important fact about Hollinger, particularly in view of gold uncertainties is the successful operation of the company's investment subsidiary, International Bond and Share Corp. which experienced an increase of $2,274,935 or 44.20% in net asset value of its portfolio in 1936. Net asset value at Dec. 31, 1936, was $7,411,427. To the end of Feb., 1937, there was a further increase of approximately $345,000 or 4.65 per cent. This is equivalent to approximately $1.50 a share on the 4,920,000 shares $5 par value outstanding.

Shaver-McGarry

What are the mine-making chances of Shaver-McGarry Gold Mines? A word as to management would also be appreciated.

Shaver-McGarry Gold Mines was incorporated late in February of this year by McVittie-Graham Mines to acquire ten claims in the Larder Lake area, adjoining the Kerr-Addison property.

Shaver-McGarry is capitalized at 3 million shares, of which 500,000 will be issued as vendor stock to McVittie-Graham. McVittie-Graham will supply 60% of the funds required for development. Twenty per cent will be supplied by Connell Exploration Co. and 20% by J. G. MacGregor.

As at Feb. 26, McVittie-Graham reported that it had approximately $350,000 in cash in the treasury. In addition to the 500,000 vendor shares, McVittie-Graham owns 150,000 underwritten shares in Shaver-McGarry. The option through which finances for the company are provided, and in which McVittie-Graham holds its 60% interest, consists of 200,000 shares at 15 cents; 250,000 shares at 20 cents; 250,000 shares at 25 cents; 250,000 shares at 40 cents and 500,000 shares at $1.

We would regard Shaver-McGarry Gold Mines as the subsidiary of a company whose affairs are under capable direction although it is a fairly recent incorporation and as little work has so far been done on it, it is difficult to evaluate its chances.

McMillan Gold

Will you be good enough to let me know what has happened to McMillan Gold Mines Ltd. A year or so ago I was induced strongly to buy some of these shares. Has it any future which would indicate that better prices would be obtained?

There appears to be little hope of McMillan Gold Mines shareholders obtaining a return on their money at the present time. The plant and equipment on the company's property in the Sudbury district of Ontario has been advertised for sale, tenders to reach the secretary-treasurer by June 25, 1937.

As you doubtless know this property came into production first in Aug., 1934. All operations were suspended in April, 1937, due to lack of finances, and the fact that ore resources were becoming exhausted, recovery was low and ore from the lower levels could not be treated satisfactorily with the existing equipment.

Howrey Creek Mining

I have been asked by a group of shareholders to try to obtain information on Howrey Creek Mining Corp. Can you assist?

Howrey Creek Mining Corp. was incorporated in Ontario in 1920 with a capital of $1 million. Officers were Glen C. Bull, president and treasurer; A. L. Kent, vice-president and manager; directors, S. A. Erwin, William Benziger, and W. A. Werritt. The office address is given as Room 614, 77 West Washington Street, Chicago, Illinois and the mine address as Gore Bay, Ontario.

This property consisted of four claims in the Howrey Creek area, Sudbury district of Ontario, 6½ miles east of Willisville on the Algoma Eastern Railroad.

The property has apparently been idle for several years and we know of no market for its stock.

Fontana Gold Mines

As subscribers to The Financial Post and also to your Survey of Mines, would you please be good enough to let us have a report on Fontana Gold Mines?

Fontana Gold Mines is a property in Duverny township of Quebec which is now carrying out surface exploration on its "C" zone while shaft sinking is going on. The property is capitalized at 3,000,000 shares, of which 2,700,000 were issued as at November, 1936, with 2,460,000 of these pooled for two years.

According to the mine manager, D. Bernard, the company expects by July 1 of this year to have its shaft down 225 feet, with a station cut at the 200-ft. level. The company has so far proved up a length of about 300 ft. on the vein. Width is reported as approximately four feet, giving interesting values.

Fontana was incorporated in Quebec in September of 1936, and its head office is in Montreal.

With this property, it would appear that further work from the standpoint of development is necessary before the property emerges from the prospect class.

WESTERN OILS
To assist in arriving at a proper understanding of the relative merits of various oil stocks listed on the Toronto Stock Exchange, we have prepared a circular entitled:
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THE MINING INDUSTRY OF BRITISH COLUMBIA
The value of mineral production for the year 1936 was $54,081,967; being an increase of $5,260,728 over the value for 1935.

INVESTIGATE BEFORE YOU INVEST
Applications are now being received for copies of the Annual Report of the Minister of Mines for the year 1936. This Report is being issued in seven Parts: i.e., Part A, a Summary of the Mining Industry; Part B, North-western District; Part C, North-eastern District; Part D, Southern and Central Districts; Part E, Eastern District; Part F, Western District; and Part G, Inspection of Mines. A copy of any separate Part is issued free of charge; additional Parts—10c each.
DEPARTMENT OF MINES, VICTORIA, B. C.

Employers Challenge Ability of Unionism To Serve the Worker

Closed Shop Principle Strongly Opposed as Denying Free Choice to Employees — Minority Groups Left Without a Voice

By GUY S. CUNLIFFE

This is the third of a series of articles dealing with labor relations. The fourth and final article next week will discuss the need of legislation to regulate trade unionism.

As far as industry is concerned, trades unions are not the only pebbles on the beach of labor relations. Too often they have proved, in the opinion of industrial leaders, the jagged rocks on which fundamentally sound relations have been shattered.

Firmly rejected is the claim of unionism to be the *ne plus ultra* and *sine qua non* among mechanisms of employer-worker contact, as the sole workable means of protecting the interests of the worker. Many employers, it appears from The Financial Post survey of industry's labor views, are prepared to accept unions if compelled to or if convinced that their workers genuinely desire union organization. But they would not select unions as a matter of preference.

It is evident from the survey that most employers have weighed unionism in the balance and found it wanting. They concede the right of the workers to speak collectively through freely chosen representatives. They stress the desirability of this from industry's point of view. But they challenge the ability of unionism, with its extra-mural agents and its weapons of suspicion and animosity, to serve either industry or workers to the best advantage.

Concern for Workers

Industrial executives are not concerned alone with the effect of unionism on themselves, with the constant pressure exerted by unions to influence plant policy and wage levels. They are just as anxious, The Post survey reveals, over the conditions which unions often create to deny the right of free choice to workers and to deny non-unionists a voice in dealings with employers.

Even those employers more or less tolerant of unions are adamantly opposed to the policies of the closed shop and the check-off. They dispute the principle, aggressively advanced by the C. I. O., that a union backed by a majority of workers in a plant should speak for all the workers. Such policies merely force independent workers into the union or, at best, deny him a voice in collective bargaining.

At the same time they recognize potential difficulties in dealing with two or more groups representing employees. They realize that any agreements or concessions won by a majority group usually become automatically applicable to, and accepted by, minority groups. Nevertheless, they insist there should be some method of at least consulting the minority of non-union employees.

Lone Union Supporter

Out of the numerous opinions obtained, only one expressed a definite preference for dealing with unions, though there were many who discussed conditions under which they would be willing to do so under pressure of circumstances. Said the single pro-unionist:

"Personally, I like dealing with a representative of a properly organized union, because it is very difficult to make progress with some of the self-elected leaders you run across in almost every industry."

At the time he wrote the letter, he was having labor trouble in his own plants and was arranging to meet an employee committee.

Similar stress is laid on the importance of the soundness of labor leadership, in the comments of an industrial leader who is also well known for public service he has performed in recent years. In regard to the formula of Myron C. Taylor, of the U. S. Steel Corp., conceding the right of workers to bargain collectively through any organization chosen without coercion, the same man says:

"Considering the problem in its broadest sense, Mr. Taylor's formula appears to be a well-considered and fair statement of policy. We see no basic objection to this policy provided negotiations are conducted in a spirit of mutual understanding by both parties. Possibly the formula would be more acceptable to employers if a clause were added providing that conclusive evidence of bad faith or the use of illegal practices formed sound justification for refusing to negotiate with such an organization.

"We feel, however, that the trades union development tends to lay too much stress on the thought that employees must fight management, the stockholder representatives, for their particular rights, as against the co-operative method of approach which is the basis of a sound works council system."

The Taylor Formula

The Taylor formula, drafted some time before the steel corporation's agreement with John L. Lewis and the C. I. O., and adhered to in formulating the terms of that agreement, reads:

"The company recognizes the right of its employees to bargain collectively through representatives freely chosen by them without dictation, coercion or intimidation in any form or from any source. It will negotiate and contract with the representatives of any group of its employees so chosen, and with any organization as the representatives of its members, subject to the recognition of the principle that the right to work is not dependent on membership or non-membership in any organization, and subject to the right of every employee freely to bargain in such manner and through such representatives, if any, as he chooses."

A. O. Dawson, president of Canadian Cottons, was one of the few executives who were willing to be quoted and had no objections to a union functioning as the channel of approach for his employees to the management. But he made the reservation that he would seriously consider his attitude if asked to recognize a C. I. O. union, adding:

"There is always the danger that a small minority in any organization might, through methods of which we could not approve, sway the majority of our workers. If such a case arose we would try, through a secret ballot or otherwise, to find out just what the real feeling of our workers was in regard to conditions operating in our plants dealing with wages, hours of labor, etc."

Rights of Minorities

A directly opposite view, objecting to any union as agent for employees, whether C. I. O. or not, was taken by the owner-manager of a moderate-sized plant in eastern Ontario. He said:

"Any worker has a perfect right to join any lawful organization he wants, but there is no moral or legal obligation upon any employer to deal with such an organization or its agents as the mouthpiece for his employees. If he does recognize such an organization, he not only yields a measure of control over his own plant to outside interests, but 'sells out' the workers who do not wish to join the union.

"The great weakness of the Taylor-U. S. Steel formula is that it makes no provision for the minority of employees who did not affiliate with the union. How are they going to be represented and get their views before the management without being forced to pay dues to the union?

"The whole tendency of unionism is to split labor and management apart, and the Bible put forth a profound truth when it said: 'A house divided against itself cannot stand.' Why should I deal with a group of outsiders claiming to represent my men, interjecting itself as a third party and telling me how to run my business?"

Closed Shop Opposed

Says Edward Anderson, K.C., president of the Winnipeg Electric Co.:

"We have consistently negotiated and contracted agreements with representatives of groups of employees when we were certain that they represented a majority of the employees in the group or classification of work affected. We have not always been willing to negotiate with 'any organization as the representative of its members,' and we will not agree to a closed shop.

"Our opinion is that the union with a majority of employees in a plant should speak for members of that union only. Of course, where a union represents a majority of employees it naturally follows that if concessions are obtained by the union, non-members will be glad to take advantage of them. In our own case, while we usually deal with the union having a majority of employees, nevertheless we have had agreements with minority groups too."

Rule by Majority

The view of a Montreal commentator is:

"In regard to majority control, under a democratic government we submit to the rule of the majority, but the minority has a voice. I lean to the theory that the minority should have a voice in the settlement of labor disputes. In Mr. Taylor's enunciation of principle, he does not say whether the representatives shall be chosen by a majority vote of the employees, or whether the majority and minority shall be represented.

"If 51% of the employees in an industry belong to a union, on a vote for the election of representatives, they would all be union men because the union men would have a majority vote.

"When it comes to making a contract it is difficult to get away from majority control, because it is not likely that in any case the majority is going to submit to minority control. It is useless to say that the majority shall only speak for themselves because, actually, if an agreement is made with the majority granting certain rates, hours, etc., these same wages, hours and conditions are automatically granted to the minority."

Quebec Rebels Launch Party

Ginger Group Officially Breaks With Duplessis —Issues Communique

From Our Own Correspondent

QUEBEC.—Formation of a third party in Quebec, consisting of dissenting members of the Union Nationale group, was decided upon at a recent caucus of those who were called the "ginger group" and the "electromaniacs" during the course of the last session of Quebec's Legislature.

Headed by Dr. Phillippe Hamel, M.L.A. for Quebec Centre, and Oscar Drouin, M.L.A. for Quebec East, and former minister of lands and forests in the Duplessis Government, the group, calling itself a National party, has issued an official communique demanding: "the carrying out of the entire programme for which we fought all over the province during the past few years."

Premier Duplessis, it is charged, while fighting during the election campaign for this same programme has made no attempt since the election to provide freedom or progress for the people, has made no fight against the "trusts" and has set up "an economic dictatorship which is more arrogant and may bring in its wake Communistic violence."

Quebec Adopts Chain Store Tax

From Our Own Correspondent

QUEBEC. — Quebec's chain store tax of $500 per unit for chain stores, bitterly fought by chain stores, now goes into force, since the by-law providing for its becoming effective was adopted at the last meeting of the City Council here.

Authorization for a chain store tax of $500 per unit was given the city by the Legislature during the course of last session, but its application was deferred following a concerted protest on the part of local chain stores that it would drive several of them out of business.

Tax Arrears Show Drop For Montreal District

From Our Own Correspondent

MONTREAL. — The Montreal Metropolitan Commission reports that there was a reduction of $137,000 in tax arrears during May in the 11 solvent municipalities on Montreal Island which are under its supervision. In the three bankrupt towns—Point aux Trembles, Montreal North and Ville St. Michel—there was a reduction of $9,000.

Arrears Outstanding

	May 30, 1937 $	April 30, 1937 $
Mount Royal	45,000	47,000
Verdun	244,000	293,000
Montreal East	59,000	60,000
Hampstead	26,000	29,000
Westmount	402,000	429,000
Montreal West	50,000	53,000
Outremont	281,000	296,000
Lachine	196,000	210,000
Ville St. Pierre	34,000	35,000
Ville La Salle	68,000	84,000
Ville St. Laurent	97,000	103,000
Pointe aux Trembles	57,000	59,000
Montreal North	62,000	68,000
Ville St. Michel	35,000	70,000

I.P.&P. Plan Still Has Delay

From Our Own Correspondent

MONTREAL. — Final action to make the International Paper & Power reorganization plan effective will not be taken by directors until an order is granted by the U. S. Securities & Exchange Commission exempting the company from restrictions of the U. S. Public Utility Holding Company Act of 1935, according to announcement by Richard J. Cullen, president of the company.

The I. P. & P. reorganization plan was approved by substantial majority votes by each class of stockholders at the annual meeting on June 23 at Boston.

Richard J. Cullen, president of the company, announced the following results in voting:

Vote on I. P. & P. Plan

	Entitled to vote shs.	For the plan shs.	Against the plan shs.
7% pref.	913,026	642,148	61,790
6% pref.	3,717	2,497	112
A common	832,749	605,432	6,784
B common	821,958	725,596	4,400
C common	2,122,620	1,684,961	50,552

In its report on the plan several weeks ago, the Securities & Exchange Commission announced that a further hearing on the proposals would be held after the shareholders' meeting. The extra hearing will consider the company's application for exemption from restrictions of the Public Utility Act of 1935.

The I. P. & P. plan involves exchange of present preferred shares for new stock bearing a lower dividend, and elimination of arrears of dividends. Preferred shareholders would receive a major share of the equity in the company, and common stockholders would give up more than half their equity.

Hearings on the reorganization plan will be conducted by the Securities and Exchange Commission on July 15.

Paramount Postpones Increase in Shares

Directors of Paramount Pictures Inc. have decided to postpone the proposed increase in the authorized common stock of the company.

The management proxy committee, it is stated, holds more than 64% of votes in favor of the increase and there are less than 1% opposed. But the decision to defer the increase, according to official announcement, is based on the view of some supporting shareholders that it is wise to defer the proposed increase until more specific reasons can be given for the proposal.

Spotlight on Labor

Employers' Council

The first known effort by industrial employers to grapple directly with labor problems on a national scale has been launched from Toronto. The Canadian Association of Garment Manufacturers took initial steps toward establishment of a national council to deal with all labor questions classed as affecting the industry as a whole. The chief function of the council would be to "co-ordinate and balance all concessions to garment workers" and to eliminate unequal treatment of workers in the same trades. It was also suggested that the council could function to prevent or arbitrate labor disputes.

* * *

Are Quitters Strikers?

When is a strike not a strike? A score of operating employees of the Oshawa Railway Company, small local electric subsidiary of the C.N.R., failed to show up for work one morning after some days of unsuccessful negotiations for wage increases and other concessions. But, they declared, they had not gone on strike; they had merely quit their jobs because they were dissatisfied with the pay, did not intend to return, and would look for work elsewhere.

This attitude created serious confusion as to whether the concerted relinquishment of jobs could be outlawed under the federal legislation which bars railway strikes until all means of enquiry and arbitration have been exhausted. With the men's stand supported by the Brotherhood of Railroad Trainmen, efforts to confer with them in a group got railway officials and federal conciliation agents nowhere. The absent men were replaced by shop workers and the latter replaced by new men.

* * *

Wages and Competition

The close relation between wage levels and industrial prosperity is strikingly illustrated in the situation concerning cannery workers in British Columbia. As explained by The Vancouver Province, labor costs in B. C. canneries make it difficult for the West Coast plants to compete with the products of lower wage operators in Ontario, Quebec, Washington and Oregon. This is seriously affecting both cannery owners and fruit and vegetable growers in B.C.

The growers have petitioned the Industrial Relations Board to modify wage levels in B. C. to permit competition on a more even basis with the imports. At the same time, the Province comments, it is desirable that all B. C. workers should receive wages permitting a decent living standard. The great need, it is felt, is Dominion minimum wage legislation covering all provinces.

B. C. Pulp Extension To Double Capacity

MONTREAL.—British Columbia Pulp and Paper Co. is carrying out a $700,000 expansion programme at the company's mills in Fort Alice and Woodfibre with a view to doubling capacity during the next year.

The company is now concentrating on production of sulphite pulp suitable for rayon manufacture.

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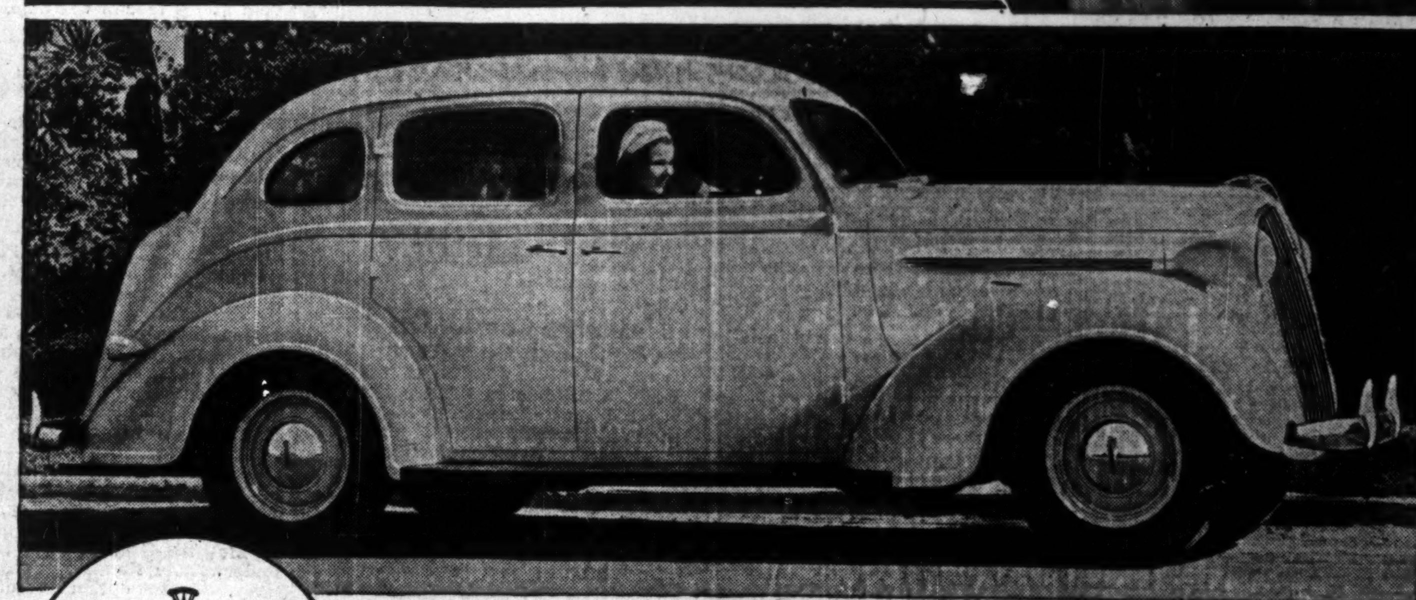

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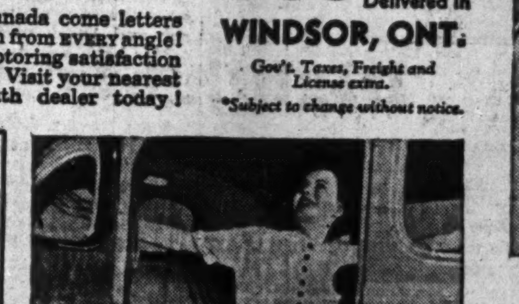

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